

The NATIONAL UNDERWRITER

Life Insurance Edition



JOSEPH M. SILVERMAN

A Salute to Our Washington, D. C. Associates

☆

Two and one half years ago there was no Franklin Life Agency in the Nation's Capital. To Washingtonians the name Franklin meant only the great Philadelphia printer, statesman and philosopher.

Then Joseph M. Silverman undertook the task of building a Franklin organization in the District of Columbia. With his unusual background—he is a graduate of both law and engineering schools, and was for ten years a top producer and field executive of one of the giant eastern life companies—results came promptly.

Above all things else Joe Silverman is a superb salesman and an incomparable organizer. He quickly attracted to his organization other high calibre underwriters capable of both personal production and agency building.

Last year Washington, D. C. stood in second place among all Franklin agency groups with over \$4,500,000.00 of paid business. Needless to say, Mr. Silverman and his associates give a large share of the credit to our exclusive and amazingly salable insurance and annuity contracts.

To Joe Silverman, his associate General Agents Hyman Posner, Wilfred Schooler, George Kirkley and their staff members, a proud salute as worthy representatives of the most spectacularly growing life insurance company in America!



The Friendly **FRANKLIN LIFE INSURANCE COMPANY**

CHAS. E. BECKER, PRESIDENT

SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America
Over \$545,000,000.00 Insurance in Force.

FRIDAY, MARCH 5, 1948

39th ANNUAL STATEMENT

Great Southern Life Insurance Company

HOME OFFICE:

HOUSTON, TEXAS

GREAT SOUTHERN LIFE INSURANCE COMPANY DECEMBER 31, 1947	
ASSETS	
United States Government Bonds	\$26,112,855
Municipal and County Bonds	727,290
Public Utility Bonds	1,431,510
Preferred and Common Stocks	2,801,090
First Mortgage Real Estate Loans and Bonds \$ 8,285,430 on farm and ranch properties \$38,976,090 on other properties	47,261,520
Loans to Policyowners Secured by policy reserves	7,199,100
Real Estate	347,014
Cash	2,806,693
Interest Due and Accrued	401,499
Net Premiums in Course of Collection Due and deferred, secured by policy reserves	2,150,907
All Other Assets	6,200
TOTAL	\$91,325,678

GREAT SOUTHERN LIFE INSURANCE COMPANY DECEMBER 31, 1947	
LIABILITIES	
Policy Reserves Amount which with interest and future premiums will pay all policy claims at maturity	\$78,680,997
Additional Policyowners' Funds Payments not yet due under instalment settlements, dividends left to accumulate, and dividends apportioned to policyowners Premiums Not Yet Completed or Reported Claims Not Yet Completed for beneficiaries pend- ing completion of proofs of death Amount being held for beneficiaries pend- ing completion of proofs of death	3,336,835
Reserve for Taxes and All Other Liabilities	1,845,670
TOTAL LIABILITIES	\$84,545,656
Reserve for Contingencies and Other Surplus Funds	\$3,000,000
Capital	2,500,000
Unassigned Surplus	1,280,022
TOTAL SURPLUS FUNDS	6,780,022
TOTAL	\$91,325,678

During 1947 beneficiaries and living policyowners were paid \$4,453,722. Since organization, in 1909, the Great Southern has paid benefits totaling \$93,945,797; today 179,885 persons own \$415,946,823 of Great Southern protection.

House Approves Gearhart Resolution by 5 to 1 Vote

Chairman Promises 'Prompt, Favorable' Action by Senate Committee

The Gearhart resolution, officially house joint resolution 296, which bars a Treasury Department move to extend social security to commission insurance agents and similarly compensated workers, was passed in the House by a vote of 274 to 53, with 103 not voting, after debate last week.

The measure has gone to the Senate finance committee where Senator Miliken, the chairman, has promised "prompt, and I think, favorable attention" to the measure. The Senate committee is expected to take it up after concluding hearings on tax reduction, probably next week.

The Gearhart resolution freezes the status quo on social security coverage to block T.D. 5600, a proposed Treasury ruling that would have created a borderline class of employees among insurance agents and others similarly compensated to the extent that they would be under social security, but not employees for workmen's compensation and tort liability.

Apparently what is chiefly at stake in Congress is, as Rep. Gearhart says, "whether the scope of social security coverage should be determined by the Congress, or by other branches of the government." The Treasury Department's opinion was based on four decisions of the U. S. Supreme Court, interpreting what an earlier Congress had intended in enacting social security legislation.

At stake for life agents and others, in addition to social security benefits, is the vesting of companies' contributions to agents' pension funds without the money being regarded for tax purposes as income to the agent in the year of receipt. T.D. 5600 would have made this possible, for no such penalty applies to those classed as employees.

Minn. Mutual Passes Half-Billion in Force

Minnesota Mutual has passed the \$500 million mark in insurance in force. It has more than doubled in size since 1942. Production in 1942 was \$35,394,925; in 1943, \$32,357,085; in 1944, \$52,779,577; in 1945, \$71,901,005; in 1946, \$111,276,153, and in 1947 it was \$123,899,302, or more than three times the 1942 volume. Minnesota Mutual now operates in 35 states and the District of Columbia.

Illinois Actuary Resigns

Carl Tiffany, has resigned as actuary, of the Illinois department to engage in private actuarial work, his plans to be announced later. He has been Illinois actuary about four years.

A. & H. Committee to Meet

Commissioner Downey of California is arranging for a meeting at Chicago early in April of the insurance commissioners' A. & H. sub-committee on minimum standards. Other members of the sub-committee are Stone of Nebraska and Parkinson of Illinois.

Treasury Urges Taxing Options as Annuities

WASHINGTON—The Treasury Department has released 50 recommendations for revision this year of the revenue laws to eliminate inequities and other defects. The recommendations were submitted to the House ways and means committee by Undersecretary Wiggins.

They include one that "the present method of computing the taxable income of life insurance companies under sections 201, 202 and 203 of the code be revised so as to more clearly and equitably reflect the taxable income of such companies." "A detailed proposal for carrying this recommendation into effect is now in course of preparation," the department's memorandum to the ways and means committee said.

There was no information available about the recent conference on fiscal questions between life insurance executives and Secretary of the Treasury Snyder.

Other department recommendations released are for amendments relating to income from proceeds of life policies paid in installments, and from annuities; also relating to pension trusts.

Mr. Wiggins, at a press conference Wednesday, said: "We have no suggestion as to how the income of life insurance companies should be taxed. The present formula now works out so that the companies pay no tax this year. That is not a desirable thing from the standpoint of either the Treasury or the companies themselves."

"A plan is under study that would yield some revenue. We have a committee from the companies that is consulting with the Treasury. They have it under study. The companies have a committee working with our staff."

Other recommendations concerning

insurance and related subjects are "that where the proceeds of life insurance paid by reason of the death of the insured are paid in the form of an annuity (whether for a fixed period or for life), the interest element should be taxed annually upon the same basis as in the case of an annuity. Under existing law, the entire proceeds have been held by the courts to be exempt even though paid as an annuity."

Would Use Life Expendancy

"That the present rule, under which 3% of the cost to the taxpayer of an annuity is included in income each year until there has been a tax-free recovery of cost, be replaced by a system under which the taxpayer would be permitted an annual tax-free recovery of cost based upon a prorated of the total cost over the expected period of the annuity."

Regarding pension trusts the recommendations state: "(a) That the period after the close of the taxable year, provided under section 23 (p)(1)(c) of the code, in which a taxpayer on the accrual basis is deemed to have made a payment on the last day of the taxable year, be extended from 60 days to 75 days; (b) in lieu of the present provision in section 165(b) of the code treating certain lump sum distributions of pension trusts as long-term capital gains, that such distributions be treated as ordinary income from the year of payment, and accorded treatment similar to that now provided for compensation earned over a period of time by section 107 of the code. This treatment should also be extended to distributions from non-trusted annuity plans; (c) that the personal liability of a trustee for the estate tax of a deceased beneficiary be made inapplicable in the case of trustees of pension trusts."

Ordinary Net Gain 8.2% for '47; Less Than 1946 Figure

Failing to top the previous year's gain for the first time since 1942, life companies showed a net gain of ordinary in force of 8.2% in 1947, according to L.I.A.M.A. New business for 1947 was written at the rate of 12.8% of insurance on the books at the beginning of the year. Terminations — policies that became inoperative for all causes — during the year were 4.6%, leaving a net gain of 8.2.

For the 110 reporting companies, representing 85% of ordinary in force, the total ordinary in force at the close of 1947 was \$106,010,671,000 as against \$97,965,525,000 Dec. 31, 1946. Here are the figures for the last six years:

Year	New Business Percent	Terminations Percent	Net Gain Percent
1942	7.72	4.48	3.24
1943	8.45	3.70	4.75
1944	9.27	3.31	5.96
		3.35	
1945	9.96	3.35	6.61
1946	14.49	3.97	10.52
1947	12.81	4.61	8.20

Wolfe Spokane President

E. M. Wolfe, assistant manager of Prudential, has been elected president of the Spokane C.L.U. chapter. John Lilienthal, Northwestern Mutual, is vice-president; Robert E. Coad, Prudential, secretary. Bearnard Leoue, Business Men's Assurance, is retiring president.

Extend National Quality Award Deadline to Mar. 31

The final date for home offices operating in the United States to submit National Quality award applications has been extended from Feb. 28 to March 31 at the request of agents and companies whose records wouldn't be available for them to check applications for endorsements prior to Feb. 28.

It will still be the objective to issue the awards as early in the year as possible. However, it was agreed that March 31 appears to be the most practical final date. The announcement urged that all completed applications be sent to the sponsoring organizations as soon as possible for the first step in processing.

Clasen Discusses Veterans

SEATTLE — The Life Managers Assn. Monday heard a talk by Hans Clasen on "Reselling Our Veteran Agents on the Value of Life Insurance as Preferred Property."

Agency System Must Compete

NEWARK—Kenneth C. Foster, research director of ordinary agencies for Prudential, told the Newark agency of that company that the job of the agency system is to produce business at a lower cost than any distributive system could offer. To do this it is necessary to en-

Differences Lessened on Mass Selling at N. Y. Conference

Basic Premise Not Seriously in Conflict, Coffin Declares

By KENNETH FORCE

SARATOGA SPRINGS, N. Y.—The area of difference between companies and agents on mass selling was reduced considerably at the managers' confer-



D. B. Fluegelman



G. P. Shoemaker

ence here, sponsored by New York State Assn. of Life Underwriters. Before a capacity crowd, P. B. Hobbs, Equitable Society manager at Chicago, past president of the National association and chairman of the N. A. L. U. committee on mass selling, ably presented the agents' objections to "fringe type" group writing. E. B. Whittaker, vice-president of Prudential, convinced his audience that the business has a vital public relations stake in not denying the benefits of "welfare programs" when the public is demanding them. Vice-president Vincent B. Coffin of Connecticut Mutual supplied friendly and intelligent moderation.

Near the conclusion of the informal discussion which followed the two talks, James E. Rutherford, executive vice-president of the National association, said he felt obligated to make the statement that "Mr. Whittaker's talk delighted me. We are so much in agreement, our differences are so slight, I anticipate that in the not too distant future there will be a full meeting of minds on the subject."

Kentucky Bill Revises Section 4

The agents have no quarrel with the first three parts of the commissioners' definition of group business, Mr. Rutherford said. And even on section 4, "we have a situation which we must face, whether we like it or not. However, we believe it does need tightening up, and we think we have accomplished this in Kentucky, where a bill has been introduced" covering the commissioners' group definition.

The Kentucky bill revises the proposed section 4, he said. The revision knocks out the provision permitting individual proprietors and partners to some under the trusteeship type of group plan. If the enticement to an employer is removed, Mr. Rutherford said he didn't think the agents would kick at that section.

The revision also knocks out the right of trustees to come under the

(CONTINUED ON PAGE 16)

Tax Exclusion for All Employer-Paid Premiums Is Sought

A.L.C.-L.I.A. Memorandum Would Aid Group Permanent, Employee Trust Plans

WASHINGTON—The doubt created in the internal revenue bureau regulations as to the status of group permanent life insurance, and the inconsistent treatment of individual policies under qualified pension trusts should be removed. This could be done by a clear-cut statutory provision which excludes from gross income the amount of premiums paid by an employer for insurance on the lives of his employees either under group policies or under policies purchased to provide benefits under an employee trust which meets the requirements of section 165(a).

This was the recommendation of a memorandum filed by the American Life Convention and Life Insurance Assn. of America with Colin F. Stam, chief of staff of the joint committee on internal revenue taxation.

Would Amend Subsection 22(b)

The memorandum suggests amending subsection 22(b), internal revenue code, to include a new subsection (15). Under group plans this would cover amount of any payment made by an employer toward premiums on group policies on employees generally or for a class or classes of employees on account of sickness or accident disability, or medical or hospitalization expenses, or death. This would be on provision that the employee has not the option to receive, instead of provision for such insurance, any part of the premiums or contributions to premiums paid by his employer. Also, that the employee has not the right to assign the death benefit or receive in lieu of such benefit a cash consideration greater than the employee's own contributions, with interest, upon his withdrawal from the group policy or on termination of the group policy or of his employment.

A second part of the subsection, covering section 165(a) plans, proposes that compensation attributable to payment by employer of insurance cost and any supplementary disability benefits on the life of employee under individual or group policies purchased to provide benefits under an employees' plan which meets the requirements of section 165(a), be excluded from gross income.

The first part of the proposal follows closely present sections of the internal revenue code, generally excluding payments by employers under employee benefits plans. However, specific mention is made of forms other than life. While no question has yet arisen as to exclusion of amounts paid by employers for group accident, sickness, hospital and medical expense, such question might be created if specific reference to group insurance is confined to its life insurance form, the memorandum states.

The recommendations preserve present treatment of group life. The memorandum makes a strong case for the desirability of general exemption of group life from a social point of view. It adds: "The classification of premiums paid for group life as not constituting a part of the gross income of employees is also essential from the revenue bureau's administrative point of view. At the end of 1946 there were about 13,025,000 employees in the U. S. under group life in an average amount of \$2,109. Premiums averaged \$26.95 per employee that year.

Deducting employee contributions and dividend refunds to employers, the average annual employer payment per employee was probably less than \$15. Taxation of such small amounts in such great numbers would pose administrative problems out of all proportion to the revenue derived and it would be almost impossible to equitably allocate to individual employees the employers' share of such insurance cost."

Can Prevent Discrimination

Like group life, group permanent provides no realizable economic benefit to the employee insured (only to his dependents upon his death), with certain exceptions, it is stated. These exist where the plan results in establishment of paid-up insurance available at retirement or on severance of employment and the employee has the option to surrender such paid-up insurance for a cash value larger than his own contributions, if any, plus interest. The proposed subsection 15 above would not exclude this type of coverage. But in the case of group permanent or individual policy pensions plans, the requirements of section 165(a) of the code must be satisfied.

So long as this is true, there are means readily available to prevent discrimination in favor of officers, shareholders and highly compensated employees, or to otherwise divert group insurance from its social purposes. Section 165(a) provides a safeguard against tax avoidance. The memorandum points out that under regulation 111 as to employee trusts, if a trust purchases retirement income insurance, that part of the employer's contribution covering the cost of the insurance protection constitutes taxable income to the employee. This, it states, is entirely inconsistent with the long established rule on group life on employees, where the employer's payments are held not to be income to employees. This in effect discriminates against the employee benefit plan provid-

ing both pension and insurance benefits. Perhaps because of this inconsistency questions, also have been raised by the internal revenue bureau as to the continued application of the exemption on group life to group permanent life.

Asks for Fresh Valuation of Union Central Stock

CINCINNATI—Asking that the mutualization plan proposed by Union Central be halted until a reasonable value can be placed on her 7,429 shares of \$20 par capital stock, Miss Ernestine Pattison, Cincinnati, has filed suit in Hamilton county common pleas court seeking an injunction for herself and other stockholders to prevent the company from carrying out the plan.

Miss Pattison alleges that her stock has increased in value and it is now worth \$125 a share or \$994,635, conditions having changed since she agreed with other stockholders in 1941 to accept \$25 a share. She alleges that failure to complete the plan is not due to any fault of her own.

The court recently heard a similar suit filed by W. T. Stewart in which similar allegations were made. The court has not yet made known its decision in this latter case.

Miss Pattison is a daughter of the late Gov. J. M. Pattison, a former president of Union Central.

Sun Life Statement Booklet

Sun Life has again brought out its annual statement report in simplified informative fashion. It consists of a 32-page booklet with text and figures interspersed with charts and illustrations, but in such proportions that these features do not distract attention from the main factual message.



Today's Training = Tomorrow's Success

In recent years great strides have been made in the training of career underwriters by the life insurance industry. This great upsurge in training has made tremendous contributions to the enhanced success of many individuals and to the enhanced prestige of the industry. As most life insurance men know, Commonwealth believes thoroughly in the doctrine of thorough training. Its training program, long recognized as one of the most progressive in the industry, undergoes constant revision and has recently been expanded and broadened.

Every new Commonwealth underwriter is scheduled to attend five separate one-week Home Office training schools in his first two and a half years in the business. The Commonwealth will hold some forty-four such schools in 1948, covering virtually every week of the year except those blocked out by major holidays.

Given reasonable natural aptitude, a salesman is made, not born . . . but the making is a long and gradual process involving years of training.

Insurance in Force—December 31, 1947—\$348,002,583

COMMONWEALTH
LIFE INSURANCE COMPANY
LOUISVILLE

Business Leaders Talk in Pension Forum at Chicago

Important officials of leading business and industrial concerns at Chicago spoke in an all-day session on pension and profit sharing trusts sponsored by the federal taxation committee of the Illinois State Chamber of Commerce. Edward H. McDermott of McDermott, Will & Emery, Chicago legal firm was chairman.

The speakers and a battery of six experts who answered questions went into the functions of pension and profit sharing plans, what such plans mean to employers, what steps are necessary in setup these plans, something about the costs, what tax approvals are needed, and whether are new possibilities for improving plans already in effect.

Three Formal Papers

W. L. Kettering, manager group insurance and annuities, Westinghouse Electric Corp., Pittsburgh, spoke on "Pension Plans in Business;" Franklin J. Lundberg, president Jewel Tea Co., Barrington, Ill., on "Profit Sharing Plans;" and A. B. Hughes, secretary pension committee, Monsanto Chemical Co., St. Louis, on "Special Problems of Pension Plans." The three concerns are outstanding in the pension and profit sharing plans which they have in effect, Westinghouse having started a pension plan in 1915. Jewel Tea Co. regards profit sharing as a vital factor in business management today and has developed this to a high level. The same is true of Monsanto Chemical Co.

The staff of experts consisted of Herman A. Zischke, Chicago, general agent of Union Central and head of the Herman A. Zischke Organization which for over 10 years has been handling pension plans for industry; Stuart M. Campbell, partner in Booz, Allen & Hamilton, Chicago management consultants; Richard J. Frankenstein, Jr., partner in Mr. McDermott's law firm; Allan Hussander, vice-president Continental Illinois National Bank, Chicago; David J. Luick, vice-president Wyatt Co., actuarial consultants, Chicago, and Jay C. Strong of the business school of University of Michigan.

More Than 200 Attend New Orleans Sales Congress

More than 200 attended the sales congress of New Orleans Assn. of Life Underwriters. President Seth W. Ryan, Guardian Life, who was injured in the September hurricane, and is now wearing a very bothersome cast, was scheduled to preside at the morning session but had Secretary Guy J. LeBreton, Metropolitan Life, pinch hit for him. Vice-president Carlo F. Cangelosi, New York Life, presided in the afternoon. President Jul B. Baumann of the National association was of course the headliner, speaking on "Our Responsibilities Today." Other speakers were: George M. Venable, Northwestern Mutual Life, Columbus, Ga., "Business Insurance;" Samuel J. Foosaner, attorney for the New Jersey association, Newark, "Taxation and Life Insurance;" Willis J. Milner, Jr., vice-president Life of Virginia, "Representing America's Greatest Institution."

Two Programming Schools

Two life insurance programming schools were scheduled for the first two weeks in March at Austin, Tex., and Peoria, Ill., for agents of Connecticut Mutual Life. They are being conducted by the company's educational staff, which consists of Horace R. Smith, Robert B. Proctor and James L. Russell. The program includes new procedures adopted for coordinating life insurance and other property in providing sound programs of financial security for family heads and their dependents.

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Chicago Conference Program Shown

Completed program for the annual sales congress of the Chicago Assn. of Life Underwriters all-day April 3 in the Hotel La Salle, and the general agents and managers conference there the previous afternoon, was announced this week. Aubrey C. Peters, New York Life, is general congress chairman.

The agency heads session starting at 2 p.m. April 2 is sponsored by the Life Agency Managers of Chicago and W. E. North, New York Life, president, will be in the chair.

The annual meeting of the state association with Earl M. Schwenn, Great-West Life manager, Chicago, presiding, will be held at the hotel from 11 to 12 the morning of April 2. The Illinois Round Table of quarter-million-dollar producers also will hold a session the first day, probably following a luncheon.

Morning Speakers

Five speakers are scheduled for the congress, those in the morning with Harry R. Schultz, Mutual Life, as chairman, being: Deal T. Tompkins, district agent Northwestern Mutual, Charleston, W. Va., on "How to Sell Insurance the Easy Way"; Graham A. Walter, manager Canada Life, Toronto, on "Do You Want to Buy a Horse?"; and Jul B. Baumann, general agent at Houston for Pacific Mutual and National Assn. of Life Underwriters president, on "Our Responsibilities Today."

In the afternoon, E. Richard Turpin, of Prudential's field training division, will talk on "A Formula for Successful Life Insurance Selling," and B. N. Woodson, executive vice-president Commonwealth Life, Louisville, on "What Does It Mean to You?" The afternoon chairman will be Mr. Peters.

Clarence E. Smith, Northwestern Mutual, association president, will preside and introduce notables.

Agency Heads' Program

At the conference of agency heads, three speakers are scheduled: Robert L. Hogg, manager-general counsel American Life Convention, Chicago, who will discuss legislation; Edmund L. G. Zalinski, managing director Life Underwriter Training Council, New York City, who will tell about that new training facility for life men, and V. V. Van Leuven, branch manager New York Life, Milwaukee, who is to talk about his unusual methods of securing cooperation of older agents and his training program.

Joy M. Luidens, executive secretary, handled many details of the program.

Middle Atlantic Actuaries Meet in Washington

The Middle Atlantic Actuarial Club held its midwinter meeting in Washington at Acacia Mutual's home office. The club president, Russell R. Reagh, government actuary and assistant director of research and statistics Treasury Department, presided.

James R. Dorsett, assistant actuary of Jefferson Standard, described seriatim valuation by use of master cards. He emphasized the ease with which the work can be done by the use of master cards and the flexibility of the results in preparing special state exhibits.

Presents Paper on Korea

Joseph B. Glenn presented a paper life insurance in Korea and the far east based on his experience in the far east while working for the War Department.

E. A. Dougherty, assistant director actuarial service veterans administration in an informal talk outlined a few of the unusual and baffling problems which have developed in the administration of NSLI.

E. J. Oglesby, professor of mathematics, engineering department, University of Virginia, described his work in the development of the actuarial educational program of Prudential.

Coffin Chairman of Training Council

NEW YORK — Vincent B. Coffin, vice-president of Connecticut Mutual, was elected chairman of the Life Underwriter Training Council at the first annual meeting here.

Edward L. Reiley, general agent for Mutual Benefit at Philadelphia, is vice chairman, and Maxwell L. Hoffman, National Assn. of Life Underwriters, assistant treasurer. James E. Rutherford, N.A.L.U., and Charles J. Zimmerman, L.I.A.M.A., were reelected treasurer and secretary, respectively.

Other members of the board are Clifford H. Orr, National Life, Philadelphia; Walter E. Barton, Union Central New York Paul F. Clark, president of John Hancock; E. A. Roberts, president Fidelity Mutual, and Benjamin N. Woodson, executive vice-president Commonwealth Life.

Mr. Orr was the first chairman.

Agency heads in the New York area met this Thursday with Edmund L. G. Zalinski, managing director of the council and Levi E. Bottens, administrative assistant, together with class instructors and a number of students in the pilot classes, to discuss the effectiveness of the course.

Nenner Milwaukee Speaker

William J. Nenner, Cleveland general agent of Penn Mutual, whose 30 years with the company include service as su-

perintendent of agencies, addressed Life Managers & General Agents Assn. of Milwaukee.

Name Cahill Purdue Institute Director

Daniel P. Cahill has been named executive director of the Purdue Life Insurance Marketing Institute. Mr. Cahill went to Purdue last September from the post of assistant director at Texas Christian. He went to Texas in 1946, as state supervisor for Manhattan Life.

Mr. Cahill entered the business with Manhattan Life and was agency secretary and superintendent of field service in the home office. He has been acting director at Purdue since the resignation of Horace R. Smith.

Prudential Raises Hillman; Transfers Vrooman to Tulsa

Hjalmar F. Hillman has been promoted to district manager at Lincoln, Neb., for Prudential to succeed Roscoe L. Vrooman who becomes manager in Tulsa.

Mr. Vrooman replaces G. Carl White, now a regional manager in the home office. He joined Prudential in Tulsa in 1933. He was promoted to assistant manager at Bartlesville in 1938 and seven years later became manager at Lincoln.

Mr. Hillman has been assistant district manager at Hutchinson, Kan. He has been with Prudential since 1933.

Weissman Urges Industry Oppose Gearhart Bill

Tells Unfavorable Results to Agents in Event of Its Passage

Simon D. Weissman of Boston, trustee of National Assn. of Life Underwriters, in addressing a meeting of Springfield (Mass.) Life Underwriters Assn., called upon agents and company executives to use their influence to bring about defeat of the Gearhart bill which would maintain the status quo with respect to social security coverage regulations pending later decision by Congress on extension of coverage.

Whether or not the Gearhart bill passes, company management, he said, has the power "to cut the Gordian knot" by acknowledging that agents are "employees" for purposes of social security and requesting their inclusion as such and not as self-employed.

Mr. Weissman condemned company management in the past for allegedly taking the position that agents are not employees but are independent contractors and, therefore, should not be included under social security in its present form. He recalled that in 1939, American Life Convention and Life Presidents Assn. opposed President Roosevelt's recommendation for including commission agents under social security. He pointed out, however, that the life companies generally did not oppose the new Treasury regulations which the Gearhart bill seeks to set aside indefinitely.

Those Now Covered May Lose Out

Mr. Weissman said that if the Gearhart bill passes, commission agents will not be included under the social security act and will not be entitled to benefits unless and until at some future time legislation is passed to include them.

He said there is some belief that the many commission agents who applied for and obtained coverage by direct application to the social security board are in grave danger of losing their benefits "because under the Gearhart bill their time requirements may gradually run out." Also he contended there is a grave set of handicaps to commission agents involved in the conception of including them under social security only by extension of the act to the "self-employed." If the agent comes in as "self-employed," he will pay the whole social security tax himself, and this may be even greater than the present combined rate. Then there is no assurance when he may be included in the act. If he should be included as a self-employed individual, he will have to make the payments himself with the possibility of missing some of them. Also, there is no assurance that benefits that may be granted as "self-employed" will be equal to those that are now available to employees.

Then, too, if the commission agent is not recognized as an employee, the retirement plan of his company will continue to be ineligible for qualification under section 165 and upon retirement the agent will pay an income tax in that year on the full amount of the accumulated employer contributions.

Ohio Led Pacific Mutual

In 42 of Pacific Mutual's 66 agencies better than \$1 million insurance was placed during 1947. The J. M. Gantz agency in Ohio led with paid production of \$10 million.

A Monument Returns

Because the first air voyage in America, the balloon flight of Jean Pierre Blanchard in 1793, was started from the site of our Home Office, the Penn Mutual has felt something of a special interest in aviation history.

There was little resemblance between the hydrogen-filled balloon raised by Blanchard and the great air liners that today hurry across from continent to continent,—or with the little "flying crate" that Orville and Wilbur Wright raised from Kitty Hawk in 1903, thus opening the modern era in the progress of aviation.

The news of today is that the Wright airplane is coming back to America after its long sojourn in England. Orville Wright had left a letter among his papers asking that the historic flying machine should be returned to the country of its origin. During those 45 years aviation has revolutionized certain aspects of civilization.

Remembering Blanchard's motto, "Thus Always to the Stars," it is good to hear that the Wright Brothers' original invention is returning to this country to be its own monument to an event of history.

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THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Mass Selling Pros, Cons Aired at Saratoga Springs

Two leading figures in life insurance, Phillip B. Hobbs, manager of Equitable Society at Chicago, and Edmund B. Whittaker, vice-president in charge of group operations of Prudential, carried their arguments on mass selling before the New York Assn. of Life Underwriters managers' conference at Saratoga Springs last week.

The attitude of agents over the country toward those developments in group selling which they believe have left far behind the original concept of group insurance were forcefully delineated by Mr. Hobbs, who is past president of the National Assn. of Life Underwriters. Mr. Hobbs is a member of the N.A.L.U. committee which is working with a similar one from the L.I.A.A. on this subject, and in his travels in 40 states in the past year or two he has gathered the views of agents.

Mr. Whittaker emphasized the social necessity of covering all employees of large and small employers, and warned that if there is discrimination against small groups or a tendency toward small self-insured groups there is an open invitation for federal intervention. Most life agents are happy to participate in any and all forms of welfare programs offered them, and should take pride in making available to all employees the same security they enjoy, he declared.

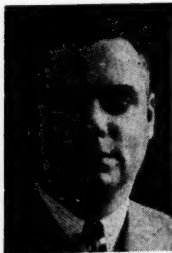
Mr. Whittaker took up point by point the standard definition and answered agents' objections to it. He described the group activities of Prudential in relation to the definition. Group should be only a part, but an essential one, of every individual's insurance program, he declared.

P. B. HOBBS

Group as it originally was conceived was and is of vast benefit to the public, Mr. Hobbs said. But that concept in-



P. B. Hobbs



E. B. Whittaker

cluded a single employer-employee relationship, a year's notice, payment in 12 equal installments, limitation to a year's salary or \$5,000, non-medical underwriting. It reached people not otherwise served.

Group on associations and similar organizations endangers the agency system because it limits the agent's market, makes it difficult to recruit new agents and emphasizes term insurance, Mr. Hobbs declared. There is little effort to convert when insured's employment ends. The conversion rate is low, less than 2%. Mortality on those who do convert runs as high as 300% and becomes a charge on the master contract. Hence there is little interest in seeing conversion effected. Certificate holders get little or no advice from such associations on uses of the policy.

Agents have trained the public in the value of permanent insurance. They have been educating people for years on the merit of full net level premium insurance. They have trained insured in optional modes of settlement and have helped revise them when needed. They have given the public expert advice on wills, taxes, National Service Life insurance, social security, partnership and corporation problems, premium loans, beneficiary clauses, restoration privileges.

There were no agents on war risk insurance (World War I), he said. It reached a peak of \$45 billion; today it has shrunk to less than 10% of the lives and about 5% of the peak volume. This in spite of helpful extensions and broadenings by Congress. The men, consequently, didn't have—or don't have—protection. N.S.L.I. reached \$149 billion on 16 million lives. It now stands at \$35½ billion; there has been a 66% lapse in lives. Where agents have advised and persuaded—for free—on N.S.L.I., they have restored millions.

These examples, he said, show the difficulties that arise without the agent's advice and, very important, his persuasion to overcome procrastination.

The advantage of permanent over group insurance is a basic concept of life insurance in the United States. The agent is expected to program insured's holdings, select the business, maintain policies against lapse.

As examples of groups agents criticize Mr. Hobbs mentioned accountants,

bankers association members, automobile dealers, county medical associations. In writing these people group is taking men out of the market who are capable of buying insurance on an individual basis. This invades the field of the career underwriter. There is crying need of new men in the business. The average age of agents went up during the war, and new agents are necessary to the future of the business. The agents sell generally in his own age bracket. The young agent, however, finds contemporaneous prospects equipped with N.S.L.I., plus group, plus term. It is tough for him to get started.

The public, he declared, deserves that the agency system be continuously replenished by good young men.

Research, he suggested, should disclose whether group matures to the same benefits for the public as does permanent insurance; whether there is or can be any real interest in seeing that group is converted. The employer through his personnel department maintains some type of supervision over group insurance, gives some advice. This is not true of association type groups. The public should not have to depend on term rather than permanent, individual life insurance.

Mr. Hobbs said that N.A.L.U.-L.I.A. M.A. committee on mass selling hopes to have a report soon, certainly well ahead of the next commissioners' meeting. The committee is sending to companies writing group a questionnaire covering a number of points and will collate their replies.

E. B. WHITTAKER

Many life underwriters are disturbed over what they consider an unwarranted invasion of their field by the group companies, Mr. Whittaker said, but the situation has been considerably exaggerated, due probably to the fact that most underwriters do not have the full facts regarding recent developments in the group field.

Mr. Whittaker said that in group cases of Prudential of new clients who took out one or more forms of group during 1947 where there were more than 50 but less than 200 employees covered, the type of cases that the average agent runs across all the time, his agents are now writing for each case an average of 3.7 coverages initially with a premium of \$44.39 per life. The average number of employees covered is 84, and the average first-year commission is \$747.55.

This is about the average commission on \$50,000 of ordinary, he pointed out, adding that developing the smaller group cases and leaving details of closing to

(CONTINUED ON PAGE 19)

Cincinnati Congress Stars Practical Street Agents

CINCINNATI—Practical talks by two "street" agents and a sales panel of successful local men were featured at the sales congress of the Cincinnati Association of Life Underwriters.

A selling process which applies to 80% of his cases is necessary if the agent desires to do a highly professional job following referred leads only, holding to minimum income requirements, and meeting certain rules he has laid down, N. P. Paulus, John Hancock, Lafayette, Ind., declared. Two types of prospects were selected by Mr. Paulus in setting up his sales: Family head, 25-40, minimum income \$300 monthly; single man, 22-30, minimum income \$225 monthly. Both must be college trained, business or professional men whom he already knows or to whom he can get an introduction. For each prospect in these two groups, he said he could visualize a life value of \$200,000 to \$250,000.

Urging selectivity in prospecting, Newman Long, State Mutual, Dallas, said it cost him \$15,000 last year because he failed to concentrate on selling prospects in the \$10,000 a year income group. Application of the principle does not mean in actual practice that if the av-

erage sale must be \$10,000, the agent never approaches anyone who will buy less. The problem is to avoid devoting too much effort to the prospect class below the agent's average requirement.

W. Thomas Craig, general agent of Aetna, was moderator of the question and answer panel on practical sale methods. Participating were Tracy Evans, Massachusetts Mutual; J. M. Feiertag, Metropolitan; J. A. Michaels, Phoenix Mutual; Mrs. Genevieve Wernicke, Equitable Society, and R. D. Jarvis, manager of Travelers. Prizes were awarded to each person submitting a question that was accepted.

The introductory remarks were made by W. Henry Blohm, general agent of Provident Mutual, president, who turned the meeting over to L. B. Scheuer, general agent of State Mutual, general chairman. A feature of the luncheon was the singing of the Miami University glee club, which appeared through the courtesy of C. V. Anderson, Provident Mutual, chairman of the board of trustees of the university, and the other members of the association who are Miami alumni.

Dr. H. W. Dingman, vice-president and medical director of Continental Assurance, failed to arrive for the luncheon at which he was to be speaker when his plane was delayed.

SUPERIOR SERVICE ON Pension Plans

Employee Pension Plans are Underwritten by The Life Insurance Company of Virginia through group contracts and Pension Trusts.

Group contracts are available for as few as ten employees.

Trained Home Office representatives analyze individual cases and tailor plans to fit specific needs. This service is offered at no obligation to interested employers.



LIFE
Insurance Company
of
VIRGINIA

Established 1871
Richmond, Va.

Robert E. Hamley, President

HAVE YOU EVER THOUGHT YOU WOULD LIKE TO WORK FOR R & R?

IF YOU ARE HAPPY AND SUCCESSFUL in field work, read no more. You already have the best job in the world. But, if you feel you would like to carve your career in the business in areas other than sales, read on.

OUR SUPERVISED STUDY DIVISION has reached the point at which we cannot give proper service without additional help. Your job would start with the supervision of the study of agents at our three course levels, (1) Basic, (2) Intermediate, (3) Advanced. But it need not stop there for as time went on, you might like to enter one of the other six fields in which we work.

IF YOU ARE A CLU, THAT WILL HELP. If you have been a teacher, that will help. If you like to read and to write, that will help. If you have a little of the idealist about you and are happiest when helping others, that will help. Your salary will be exactly what it should be considering (1) the work, (2) your present level and (3) your ambitions.

IF YOU WISH, WRITE ME IN CONFIDENCE AND I WILL BE GLAD TO REPLY PERSONALLY AND IMMEDIATELY.



PAUL SPEICHER
Managing Editor

THE INSURANCE RESEARCH & REVIEW SERVICE INDIANAPOLIS

Insurance May Touch Off FTC. Justice Dispute

WASHINGTON — If the federal trade commission is ambitious to increase its work in connection with monopolies, as appeared possible, judging from recent testimony by its representatives before the House appropriations committee on the annual budget, concerning insurance investigations, it is reported that the Department of Justice will have something to say about the matter.

The FTC idea developed when commission witnesses discussed their request for an increase of \$100,000 in funds in order to expand anti-monopoly work and investigation of complaints with reference to insurance. This request had been approved by the budget bureau.

However, when Attorney General Clark heard about the FTC proposal he is said to have remarked that he would see whether some other agency would usurp his department's "monopoly" of anti-monopoly work.

Whether or not this is so, it serves to call attention that the jurisdictions of the Department of Justice and the FTC have been rather definitely separated regarding the matters in question. The department has, in general, handled the government's anti-monopoly work under anti-trust laws, through investigation and prosecution.

The FTC, on the other hand, has concerned itself chiefly with stopping unfair trade practices and promoting fair trade practices. Jealousy on the part of the Department of Justice, it has been suggested, might lead to an attempt to secure clarification from Congress of the two agencies' respective functions.

Continue Fight Against D. C. Department Change

WASHINGTON — Twenty-nine states have completely separate and independent insurance departments, according to an analysis compiled by American Life Convention and submitted to congressional committees by Edward J. Schmuck, general counsel of Acacia Mutual, spokesman for domestic companies and local industry groups here, in connection with consideration of the Auchincloss bill, which would abolish the D.C. insurance department.

Fourteen additional states have laws for separate insurance bureaus in other departments, and charging the heads of such bureaus with the regulatory job. Six states have laws providing for state officers other than commissioners who are charged with administering insurance laws. Some of these officials have deputies to whom the insurance regulatory job is assigned.

Hence, Mr. Schmuck says in a brief filed with the committee that the Auchincloss proposal "is opposed to the vast weight of experience of the regulatory jurisdictions as indicated by the present organizational structure of insurance departments."

Mr. Schmuck presented the committee with charts showing organization of the D.C. department and the functions performed under it by a total of 14 persons. He stated that 555 domestic and foreign companies are licensed to do business here.

J. Dewey Dorsett, general manager Assn. of Casualty & Surety Companies, in a statement to the committee submitted through Mr. Schmuck, says "the public and the industry are best served by a supervisory department whose sole function is the administration of the insurance laws." The D.C. fire rating law and the casualty rating bill pending in Congress will increase the burdens and responsibilities of administrative authorities, Mr. Dorsett says, and it would be a backward step to abolish the department.

Ralph H. Kastner of American Life Convention has submitted a statement

opposing the proposed abolition of the department. He concurs in the recommendations of the local interests made on their behalf by Mr. Schmuck, that the department be maintained on an independent status, or transferred to a new department of banking and insurance, or at least be assured a quasi-independent status under another new department of the proposed reorganized D.C. government.

Bruce E. Shepherd of Life Insurance Assn. of America writes Rep. Auchincloss that its traditional position is that whether insurance regulation is by a separate department or a division within another department is a matter for legislators to determine. Mr. Shepherd pointed out, however, that his association favors strong and adequate state supervision, which can be accomplished only by a properly staffed setup, with com-

petent personnel and sufficient funds allocated "from the heavy taxes now paid by insurance companies."

President William P. Welsh of National Assn. of Insurance Agents, wrote opposing the proposed abolition of the department.

The Pennsylvania department is investigating alleged unlicensed activities of American Farmers of Phoenix, Ariz.

HIGHLIGHTS

From 42nd Annual Statement

	December 31, 1947	Five Year Gain
Admitted assets	\$ 56,592,148	\$18,265,514
Policyholders' surplus . .	4,327,027	1,286,302
Insurance in force . . .	183,468,264	50,020,285

New paid for life insurance in 1947 totaled \$21,273,718, an increase of 6.6%. The net gain of life insurance in force for the year was \$13,529,089.

In 1947 payments to policyowners amounted to \$3,088,973.31. Death claims totaled \$1,022,290.05 and living policyowners and contract holders received \$2,066,683.26.

Policyowners have paid premiums totaling \$105,292,077.93 since the Company began business in 1906. To the end of last year policyowners and beneficiaries had been paid \$54,606,586.67. These payments combined with the Company's present assets equal 105.61% of the total premiums collected. In addition to policy obligations, the Midland Mutual has paid policyowners more than \$12,500,000 in dividends.

THE MIDLAND MUTUAL LIFE INSURANCE COMPANY

250 EAST BROAD STREET

COLUMBUS 16, OHIO

Completing a Century of Achievement

1857-1957

The Practical Way To Build A Future Is To Associate With A Company With a Proven Past.

Inquiries Regarding Opportunities Are Cordially Invited

There is a good future in a company with a good past.

• ST. LOUIS MUTUAL LIFE INSURANCE COMPANY

222 N. Fourth St. St. Louis 2, Mo.

Moynahan, Robson Make Points at Decatur Congress

Life insurance is the greatest bargain in the world today, George R. Robson, vice-president Continental Assurance in charge of the Insurance Exchange branch at Chicago told the Decatur, Ill., sales congress. It does not cost twice what it did before the war; it has not followed the trend of inflation in commodity prices. Therefore agents really have something to talk about to people who are smarting under the impact of high prices.

"Just as we had proof that the institution of life insurance could stand the test of a prolonged depression," he said, "so we had proof of it standing the test of the greatest war in history. But now we have the supreme test of the institution of life insurance being able to stay on a firm and even keel during a period of a highly inflated economy."

John D. Moynahan, manager Metropolitan Life, Chicago, and trustee N.A. L.U., talked on association affairs and also discussed the country's 50 million industrial policyholders. There are almost as many of these as there are persons under federal social security.

"If the life insurance business is to serve the needs of the American public as free enterprise," he said, "it is of vital importance that we continue to serve well the great mass of people whose modest means make it advisable for them to purchase life insurance in small amounts to cover all the members of the family."

Points Out Error

"Some life insurance men are prone to concentrate only on those of the higher and middle-income brackets. Should our business attempt to serve these groups exclusively? We would not long be able to boast of our vast millions of policyholders. This need which is being so adequately fulfilled today through industrial insurance is one of our greatest responsibilities as a free enterprise. When ordinary insurance is written on these marginal cases it is not of good persistency. The persistency of well-written industrial insurance is outstanding."

Chester D. Walker, Decatur district manager Great-West Life, was general chairman. Moderator was K. L. Keil, district manager Penn Mutual, Springfield, state association area chairman.

Dr. R. I. Mehr, director of the insurance department at University of Illi-

nois, spoke on "The Life Insurance Market;" R. W. Holgedag, R. & R., Indianapolis, on "Business Insurance;" Earl M. Schwemm, manager Great-West, Chicago, on "Current Sales Ideas;" and Roe Walker, district agent Northwestern Mutual, on "Fundamental Steps in the Sales Process." At luncheon, Senator L. Rotz, Provident Mutual general agent, gave "Legislative Tips;" Insurance Director Parkinson spoke, and Prof. William Beadles of Illinois Wesleyan University, Bloomington, discussed "C. L. U. Work."

CHICAGO

HOWARD KELLEY WELCOMED

Howard Kelley, whose appointment as a general agent of Massachusetts Mutual in Chicago was reported in last week's issue, was introduced to the members of the agency at a luncheon given by Chester O. Fischer, agency vice-president. The agency was formerly headed by the late A. R. Houle.

Thomas C. Smith, who led the agency in 1947 production, welcomed Mr. Kelley on behalf of the agency.

In his response, Mr. Kelley spoke on the challenge and opportunity ahead and said that with the cooperation of his associates in the agency he saw no reason why it should not be among the company's top five.

In introducing Mr. Kelley Mr. Fischer paid tribute to the fine job the agency did in the months prior to Mr. Houle's death, when it was known that his condition was hopeless but when consideration for his feelings forbade appointing a successor. He said that for this reason the company had held off even making any move toward appointing a successor until after Mr. Houle's death.

Mr. Fischer praised the outstanding job which Mr. Kelley did in Los Angeles as assistant general agent in the John W. Yates agency, which led the company for 1947. He said Mr. Kelley was the first of Massachusetts Mutual's field organizers, who now number about 15. He also mentioned Mr. Kelley's fine record as a personal producer both with the Massachusetts Mutual, which he joined in 1943 at Cleveland, and with his previ-

ous company, Phoenix Mutual Life, which he joined in New York City in 1925.

EDELSTEIN MOVES OFFICE

J. Milton Edelstein, general agent of Connecticut Mutual Life in Chicago, has moved his office to 39 South La Salle street, room 320. The move was necessitated by increase in business since Mr. Edelstein established the agency in 1945. New life business of the agency about doubled last year, with 91% gain over 1946. The agency was No. 1 country-wide in Connecticut Mutual for 1947 in percentage increase. Mr. Edelstein has been in the business since 1939 except for service in the navy during the war.

Beebe of Mutual Life Retires

Dwight S. Beebe, who has been with Mutual Life for 20 years, has retired as vice-president and treasurer under the company's retirement plan. An alumnus of Yale, Mr. Beebe was formerly with Prudential. Prior to his present position with Mutual he was vice-president and financial manager.

Leonard C. Clifford, who has been assistant treasurer since 1945, has been appointed treasurer to succeed Mr. Beebe. Prior to 1945 he had been with National City Bank of New York.



D. S. Beebe

Mutual Life Ends 40 Year Search

Mutual Life recently delivered the widow the proceeds of a policy that had been paid up in 1907 and unclaimed since. The company finally located the beneficiary, Mrs. C. F. A. Bogen, at Sheboygan, Wis., and paid her \$123 from a policy taken out by her late husband in 1903 which she didn't know existed.

Albert J. Schock has been appointed brokerage supervisor of the Fred G. Higham agency of Great-West Life at Philadelphia. Mr. Schock started with Fidelity Mutual Life in 1928 in Philadelphia, and in 1945 was appointed office manager of the A. C. Adams agency of John Hancock there.

Figures from Companies' Annual Statements

	Total Assets	Increase in Assets	Surplus to Policyholders	New Bus. 1947	Ins. in Force Dec. 31, 1947	Increase in Ins. in Force	Premiums Income 1947	Benefits Paid 1947	Total Disburs.
Afro-American, Fla.	4,240,585	385,401	1,244,186	20,652,835	42,727,997	1,454,873	2,577,348	798,244	2,471,207
Amalgamated Life & Health.	1,148,288	182,485	1,093,401	1,417,500	5,591,500	643,000	460,796	264,495	298,757
American General	9,063,203	1,050,613	921,466	22,205,583	79,197,713	13,723,363	1,893,602	406,296	1,389,592
Baltimore Life	31,712,911	2,533,713	2,593,218	30,181,380	182,176,252	12,867,364	6,121,077	2,160,782	4,975,068
Bankers National	23,201,442	2,907,744	1,644,254	20,934,084	139,011,114	12,843,545	4,281,878	1,463,921	3,107,794
Beneficial Standard	2,272,323	878,834	1,307,521	8,439,632	10,013,506	1,573,374	75,224	16,313	2,436,422
Berkshire	103,909,778	6,899,588	2,363,737	39,316,127	323,880,021	25,009,715	10,543,744	5,492,358	10,973,006
Brotherhood Mutual	468,156	171,600	41,867	2,696,005	10,170,048	1,287,005	273,703	21,137	142,693
Colonial Life	35,644,424	2,400,249	1,728,625	35,446,629	199,172,391	16,449,374	6,711,751	2,550,798	5,681,666
Constitution Life	7,607,260	121,129	887,713	11,214,445	35,934,027	2,947,238	2,652,477	724,967	2,440,358
Durham Life	23,950,844	3,521,062	4,368,265	45,042,563	175,344,803	13,068,045	6,601,629	1,161,745	4,123,465
Expressman's Mutual	13,355,976	503,548	1,450,635	3,886,060	42,127,730	1,899,105	994,130	600,521	919,677
Forest Lawn Life	1,514,915	364,749	344,063	4,633,485	12,669,863	2,081,382	697,115	70,988	372,964
Globe Life	5,283,017	—193,664	844,311	2,694,308	31,782,955	1,409,424	733,083	222,971	1,159,944
Home Beneficial	39,525,948	6,156,994	4,695,362	140,197,501	312,513,998	38,151,746	16,295,014	3,820,957	10,983,539
Illinois Bankers	30,944,104	802,538	1,837,894	11,960,546	119,923,812	2,981,451	3,577,679	2,345,007	4,095,290
Jefferson National	4,504,974	1,574,180	1,772,721	11,312,394	43,055,359	7,829,296	1,283,966	372,744	978,310
Knights Life	23,828,308	3,108,041	3,033,381	69,027,865	258,197,407	31,419,885	7,212,665	1,442,324	3,331,691
Lincoln Income	2,072,566	489,743	455,602	24,340,965	53,250,246	10,176,799	2,493,624	530,647	2,114,464
Metropolitan	8,548,422,601	502,990,217	499,557,357	3,985,910,722	256,604,715	2,834,585,604	1,148,207,315	671,927,603	1,012,829,227
Michigan Life	8,447,428	700,745	1,953,269	4,795,344	35,362,279	1,853,440	2,037,077	1,129,568	1,759,100
Monumental Life	86,523,599	7,528,461	10,832,829	79,882,482	563,094,358	34,689,885	17,018,721	4,695,492	12,424,911
Northwestern Mutual Life	2,156,091,901	137,037,154	144,767,642	494,638,179	6,406,807,591	361,037,899	207,963,512	123,173,042	185,855,769
Pierce, Fennell & Smith	1,385,822	42,094	401,900	5,760,265	7,473,731	1,961,906	786,476	140,989	530,975
Pilgrim H. & Life	4,102,836	304,108	640,906	2,532,848	43,725,260	8,456,660	2,315,074	651,814	1,966,475
Reliable Life	7,475,008	1,607,573	1,925,305	58,708,213	114,611,433	9,308,466	4,614,873	845,650	2,277,246
State Capital, N. C.	3,073,227	683,822	442,739	35,156,699	57,377,920	13,102,863	2,034,608	223,839	1,377,090
State Farm	24,484,914	4,945,227	3,622,743	68,322,724	259,794,172	41,872,017	6,932,420	1,284,493	4,194,977
State National	605,274	99,398	140,270	5,287,618	8,269,430	2,667,504	332,970	27,192	254,329
Sterling	5,351,690	363,456	3,910,073	16,066,533	43,050,359	1,601,728	3,133,277	1,066,984	2,910,695
Texas Prudential	13,026,903	1,781,843	1,803,834	39,707,621	130,808,173	11,018,034	3,801,303	695,950	2,518,554
Union Life, Va.	6,367,410	1,133,172	1,835,437	29,705,113	63,916,189	4,023,419	3,363,903	643,218	2,455,557
United Services	3,108,730	456,690	340,819	7,521,000	33,810,447	5,581,008	757,675	126,403	462,137
West Coast	40,748,317	2,622,296	2,390,819	36,576,211	180,372,803	10,353,913	6,094,708	2,963,976	5,584,877
FRATERNALS									
Aid Assn. for Lutherans	92,400,197	9,461,798	6,061,432	57,273,089	413,925,937	48,667,431	12,401,705	3,712,390	7,978,996
Czechoslovak Society	7,263,325	287,736	1,006,385	2,074,900	27,370,722	1,155,443	807,179	647,681	919,219
North American Union	5,804,871	139,718	342,650	2,423,750	19,602,766	2,011,556	322,631	637,681	447,074
Standard Life, Assn., Kan.	11,017,960	—11,451	920,236	2,423,750	32,565,511	—382,053	847,320	941,467	1,264,688

¹Includes accident and health.

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Penn Mutual Ready for Fla. Rally

Penn Mutual's 1948 conference will be held at Boca Raton Club, Boca Raton, Fla., March 30-April 3. For the first three days there will be a meeting of the Quarter Million Dollar Club, with 430 delegates who have qualified. On April 2 and 3 there will be two additional days for the half-million dollar producers, involving one program devoted to Penn Mutual's 13 million-dollar producers.

Eric G. Johnson, vice-president, will head the meeting with Wallis Boileau, Jr., 2nd vice-president, general conference chairman and E. Paul Huttering, 2nd vice-president, as program chairman.

Prudential Opposes Penalty in N. J. Disability Bill

Prudential joined New Jersey business and medicine in objecting to Governor Driscoll's program for payment of temporary disability benefits to workers. F. H. Groel, secretary and vice-president, and Edmund B. Whittaker, vice-president in charge of group insurance, appeared in behalf of Prudential at the hearing before the state senate banking and insurance committee in Trenton.

They opposed the provision that an assessment of .1% to .4% must be paid to a public fund by workers who are covered under private insurance.

In 1947 Prudential supported similar legislation with the same reservation. However, the bill failed of passage. The company statement on the present legislation reads:

"For all practical purposes there has been no change in the attitude of our company. We feel as we did before, that from the social angle, legislation providing for temporary disability benefits is desirable and should be enacted at the earliest possible moment.

"After a further year's study, we are still of the opinion that the approach followed in California, that is to say, a state fund with a contracting out provision, is greatly to be preferred over either of the alternatives suggested (in New Jersey), namely, a monopolistic state fund or purely private plans."

Governor Driscoll's bill is sponsored by Senator Barton of Passaic and provides for the establishment of a public temporary disability fund of \$50 million from workers contributions to New Jersey's state unemployment compensation fund. The bill gives employers the option of providing their own disability coverage if their employees agree to it.

Mich. Special Session May Take Up Land Holding Issue

LANSING, MICH.—Gov. Sigler has called the Michigan legislature into special session March 16 but has not announced what subjects will be considered.

One matter of insurance interest which the governor lists high on his legislative agenda is the enactment of a proposed statute to get around the constitutional prohibition against corporations holding land for long periods of time. The change is regarded as necessary to obtain life company investments in large scale housing projects.

Mass. Federation to Meet

BOSTON—The Insurance Federation of Massachusetts will hold its annual luncheon meeting March 18, with Attorney General C. A. Barnes of Massachusetts as principal speaker. President Bowersock of Boston and Old Colony, federation president, will preside.

Tyler Assists Tennison

Smith Tennison, Jr., has appointed Henry Tyler of Knoxville as assistant manager of Prudential for east Tennessee and western Virginia.

Endorse Wright for N.A.L.U. Trustee

Raymond T. Wright, big producer for Provident Mutual Life and Washington National at Lawrence, Kan., who has been a member of the Million Dollar Round Table for a number of years, has been endorsed by a number of Kansas associations for trustee of National Assn. of Life Underwriters. Mr. Wright has been very active in association work and has been in great demand as a speaker at sales congresses and local association meetings. He is the first personal producer to be brought forward as a candidate for trustee this year.

This Missouri valley territory, lying between the Mississippi and the Rocky Mountains, now has no representation on the N.A.L.U. board and feels that it is entitled to recognition. There are now four trustees each from the east and south, two from the Pacific Coast and two from the east central territory.

May Require Sample Policy

The Iowa department is considering whether to require agents, especially

life or accident and health agents, to carry sample policies. W. H. Sherin, deputy commissioner, said the department has the matter under consideration. Under the proposed plan, the agent would be required to show the prospective customer the sample policy. It is questioned, however, whether the customer would understand any more fully the contents of the policy than he does now.

Blue Cross Insured Now Total 29½ Million

About 29½ million in the U. S. and Canada now have Blue Cross insurance, according to the Blue Cross commission of American Hospital Assn. Net growth for 1947 was 3,772,029.

Of the total number insured of 29,498,527 there are 1,965,958 in Canada.

The New York City Blue Cross leads with 3,198,473 insured; Chicago has 1,465,835; Philadelphia 1,172,881; Pittsburgh 1,164,837; Newark 1,105,766.

To Meet on N.A.I.C. Manual

The subcommittee of the examinations committee of the National Assn. of Insurance Commissioners will meet at

the John Marshall hotel, Richmond, Va., March 31-April 1 to prepare a report on the preparation of a manual. Allyn of Connecticut is chairman of the subcommittee, which was directed to prepare the report before the June meeting of N.A.I.C.

Lincoln and Keltner Now Full Time with Carriers

At a meeting of the Farm Bureau Co-operative Assn. at Columbus, Murray D. Lincoln resigned as executive vice-president and J. E. Keltner as controller. Both will give all their time to the Farm Bureau insurers, of which Mr. Lincoln is president and Mr. Keltner vice-president and controller.

It was announced the action was taken at the suggestion of commissioners of some 12 states, who felt the Farm Bureau and its insurance companies should be entirely separate organizations. Last month Mr. Lincoln retired as executive secretary of Ohio Farm Bureau Federation.

John W. Sims, general manager, has been chosen to fill both posts held by Mr. Lincoln.

Mr. Keltner is succeeded by K. N. Probasco, association treasurer.

38th Annual Financial Statement.....

For the Year Ended December 31, 1947

RESOURCES		LIABILITIES	
Cash		Policy Reserve Required by Law	\$77,499,209.00
Bonds	(2.6%) \$ 2,357,501.62	Policy Funds Left with the Company	5,956,951.70
U. S. Government	(42.9%) 39,200,052.77	Policy Claims Awaiting Final Papers	344,689.56
State and Municipal	\$24,326,016.25	Reserve for Taxes	244,729.74
Public	8,193,189.09	Interest and Premiums Paid in Advance	1,435,542.92
Utility	5,926,217.40	Dividends to Policyowners Payable to Dec. 31, 1948	542,605.03
Railroad and Industrial	754,430.03	Other Liabilities	681,281.21
Mortgage Loans Guaranteed by U. S. Agencies	(17.4%) 15,875,707.98		
Other First Mortgage Loans	(28.3%) 25,886,042.12	TOTAL LIABILITIES	\$86,705,009.16
Policy Loans and Liens	(5.6%) 5,167,094.50	Excess Protection for Policyowners Capital	4,649,217.77
Real Estate	(9%) 787,564.86	Surplus	3,820,637.77
Home Office	\$619,394.86		
Sold on Contract	168,170.00	TOTAL	\$91,354,226.93
Due and Accrued Interest	(.5%) 429,723.51		
Due and Deferred Premiums	(1.4%) 1,306,031.54		
Other Assets	(.4%) 344,508.03		
TOTAL ASSETS	(100.0%) \$91,354,226.93		

TEN-YEAR COMPARISON	
Year	Assets
1917	\$ 1,436,215.66
1927	8,758,283.12
1937	43,645,098.07
1947	91,354,226.93

Capital and Surplus	
	Insurance In-Force
\$ 711,082.97	\$ 11,558,147.00
947,491.12	70,090,761.00
2,589,458.09	182,368,944.00
4,649,217.77	351,133,122.00

THE OHIO NATIONAL LIFE INSURANCE COMPANY
CINCINNATI, OHIO

Vote on Five Bills in N. Y. Legislature

ALBANY—Since the final public hearings last month five bills designed to maintain home rule for the state's insurance industry have been introduced in the state legislature by the joint legislative committee on insurance rates and regulation.

They will be acted upon by March 13 when the legislature hopes to adjourn.

The rating act went in as proposed at the Feb. 16 hearing with minor changes. The accident and health anti-rebating law was entered as originally proposed.

Little Clayton Act

A little Clayton act has been introduced which will allow interlocking directorates among companies, and the acquisition of competitor's stock, subject to regulation by the insurance superintendent. Under the bill the act will be in force for one year starting July 1, 1948, the date the public law 15 moratorium ends.

This bill met with opposition from the companies but in effect it protects them for one year from federal regulation. Further legislation will be submitted before the end of the one-year period. The committee headed by Senator Walter J. Mahoney, Buffalo, hopes to introduce a substitute measure at the next legislative session. Senator Mahoney has also introduced a bill to extend the activities of the joint legislative committee for another year. The little Clayton act is in effect a reverse to the Clayton legislation. The state bill would permit interlocking directorates where as the federal law prohibits them. The state bill is designed to forestall federal intervention.

An anti-trust law has been introduced to include insurance under the Donnelly act except that rating organizations, pools and syndicates will be regulated

by article 8, which gives them separate treatment. The fifth bill, a fair trade practices act, will empower the superintendent to investigate unfair or illegal practices to the industry.

Among the important chances decided upon by the committee since the last hearing was the dropping of section 37 of the law which would have allowed concerted activities under the superintendent's supervision, including the regulation of commissions. It met with general disapproval except for some brokerage support.

The four Mahoney committee bills—accident and health anti-rebating, fair trade practices, rating and little Clayton—have been reported out of the assembly insurance committee.

The Donnelly or state anti-trust law would be amended under the proposal of the Mahoney committee to include insurance except to the extent that rating organizations, pools, and syndicates are to be regulated under the proposed rating section 6. In putting the bill in, the committee disregarded the amendments suggested by J. Raymond Berry of National Board and of Henry Moser of National Assn. of Independent Insurers. Mr. Berry had suggested a modification of the committee's proposal in view of the regulations provided in the other sections of the committee's proposed legislation. Mr. Moser wanted an amendment that would make certain that the federal anti-trust act applied to insurance in New York as well as the state anti-trust law.

Foreman Becomes Associate

William H. Foreman has been appointed general agent at Newark for Mutual Benefit Life. He has been with the agency 25 years and in 1936 became supervisor.

Mr. Foreman has been vice-president of Life Supervisors Assn. of Northern New Jersey.

Temple Will Open Chicago Agency of Ill. Bankers

Thomas A. Temple has resigned as Chicago manager for Northern Life of Seattle to open a second office in Chicago for Illinois Bankers Life as general agent. His quarters in the loop has not yet been selected, but he has appointed Arthur W. Ruff as district agent for the southwest side at 14310 South Parnell avenue.

Mr. Temple opened up Chicago for Northern Life in December, 1946. During 1947, the agency wrote \$500,000 in life and \$125,000 in A. & H. premiums. He is a graduate of the University of North Carolina and for a time was a social analyst for the U. S. government. He entered life insurance in 1937 with New York Life in Chicago, becoming an assistant manager six months later. He was in the air force as a captain. Mr. Ruff has been in the general insurance business on the southwest side since 1936.

Manhattan Names Higgins Associate Medical Director

Dr. Eugene V. Higgins has been appointed associate medical director of Manhattan Life, effective March 15. Dr. Higgins has been with United States Life for three years as assistant medical director and associate medical director.

A graduate of Seton Hall College, New Jersey, and Jefferson Medical College, Philadelphia, Dr. Higgins served on the staff of Jefferson Hospital, where he was awarded a fellowship in hematology.

Keltie Assistant Actuary

Great-West Life has appointed W. A. Keltie as an assistant actuary in the underwriting department.

Following graduation from University of Manitoba in 1936, Mr. Keltie

Insist Ky. State Group Sponsor Agents Bill

Lexington Life Underwriters Assn. has adopted a resolution "insisting" that the president of the Kentucky state association take steps immediately to cause an agents' qualification bill to be introduced in the present session of the Kentucky legislature. The resolution states that N.A.L.U. has approved the idea of such legislation and has prepared a draft bill and expresses the belief that most of the individual agents in Kentucky favor such legislation, but that no action has been taken by the state association.

Fight Gearhart Bill in Ga.

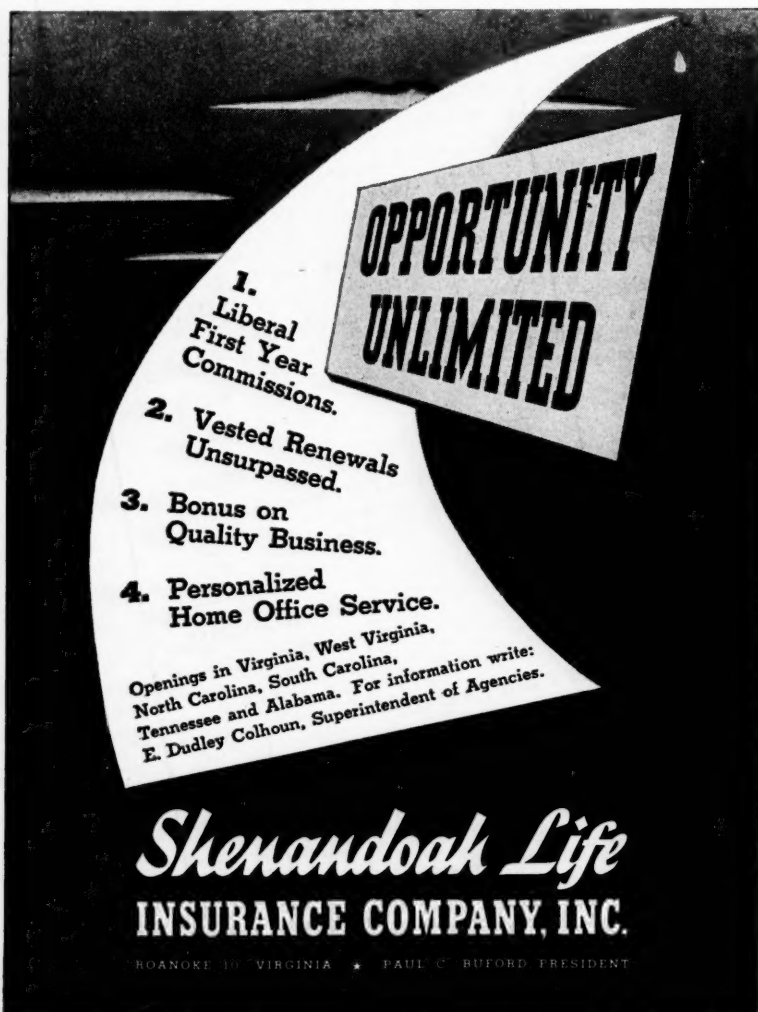
Atlanta Life Underwriters Assn. and Leaders Round Table of Georgia have adopted resolutions opposing passage of the Gearhart resolution by Congress to exempt commission agents from the social security act.

At the annual sales congress of the Georgia State Assn., Warren Woodward, Atlanta, was named chairman of the Leaders Round Table with B. L. Hollis, Crawfordsville, vice-chairman and C. B. Fisher, Atlanta, secretary-treasurer.

C. M. Rives Promoted

C. M. Rives, Jr., has been promoted to manager of the policyholders service department of Jefferson Standard. He joined the company in 1934, following his graduation from Davidson College. On being released from the army air forces in 1946 he was appointed manager of the premium notice department and was later placed in charge of the conservation program.

Cecil F. Cross, vice-president and manager of agencies of Lincoln National, is on a tour of agencies in the far west. He will return early in April.



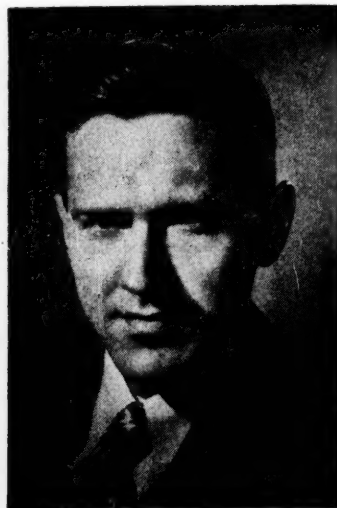
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4. Personalized Home Office Service.

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Shenandoak Life INSURANCE COMPANY, INC.

ROANOKE 10 VIRGINIA • PAUL C. BUFORD PRESIDENT



W. A. KELTIE

joined the dominion insurance department. In recent years he has been with the National Life of Vermont, where he was assistant to the director of selection. Mr. Keltie's appointment has been made with a view to further advancing specific research plans and projects within the underwriting department.

Teachers Promotes Mahlstedt

Walter Mahlstedt has become assistant treasurer of Teachers Insurance and Annuity. Mr. Mahlstedt joined the association in 1929 and has been security analyst since 1936.

Robert A. McMillan, formerly of International Business Machines Corp., is now tabulating supervisor. Thomas C. Edwards, Jr., formerly of Northwestern Mutual Life, has been named insurance counselor. Maurice D. Stack, previously with the Carnegie Corp. of New York, has been appointed annuity counselor.



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Under-Capitalization of Agent Cause of Much Failure

There is a very large percentage of life insurance agents who are unfit, Dan A. Kaufman of Northwestern Mutual at Indianapolis told the final Saturday sales forum of the Chicago Assn. of Life Underwriters, on the basis of a survey in his city. There are about 2,000 life insurance agency contracts in force there, he said, and about 1,000 of the men are unsuited for the business. They are just writing a little once in a while.

Of the remaining 1,000, about 150, he reported, qualified for the Indiana Leaders Club in 1947, which called for paid production of \$250,000. Less than 10 qualified for the Million Dollar Round Table.

Many Agents' Funds Inadequate

"Many of the others have all the capacity that is needed for success," he remarked. "Why don't they do something about it? Primarily it is a problem of being undercapitalized in the business, of being under pressure to get the money to pay bills." He said if they can't pay their bills they can't go home happy from work, and their families can't be happy about their selling life insurance, nor respect the business.

"The average man can make a good living out of life insurance and doesn't need to write a great deal to do so," he said. "A little more relative business and the man can write his own ticket."

While Mr. Kaufman feels ample finances are essential he does not believe in a salary for an agent. "It is a silly philosophy that a man has to be subsidized to come into this business," he said.

C. J. Zimmerman, L.I.A.M.A., spoke particularly of the search for security, which he said people want above all else. Life insurance was founded on a desire to serve the people, on mutuality, and upon recognition of the American agency system. It was necessary in the past to sell life insurance, and this is as true today.

"Men don't like to think," he said, "but the life man must make them think about their problems."

Props Up U. S. Economy

He said if there were no such thing as life insurance he believes the entire economic structure of the U. S. would collapse. He touched then on paternalistic plans and said, "The entire course of history teaches us that we can't have state security, freedom, etc., all in one package. If we didn't have life insurance the entire future of democracy would be less bright."

Mr. Zimmerman said he did not believe the American agency system was threatened, nor was he concerned about the growth of mass coverage. He said agents had barely scratched the surface of the business.

Gerard S. Brown, Penn Mutual, chairman of the education committee under whose direction the series of Saturday forums was produced, presided. At tence at all four meetings this year was excellent.

Chicago Assn. Asks Ban on Sales to Trade Assn. Groups

The advisory council of Chicago Assn. of Life Underwriters has sent a bulletin to members urging action to stop the sale of group insurance to trade association groups.

The council is of the opinion that the definition of an employer-employee group should not include any group of employees of two or more employers, trustee or not. They approve issuance of insurance to a trustee of any association of employees where the premiums are paid by the employer, or by employer and employee jointly.

The bulletin calls for limits on group life of \$20,000 on any one life. Groups

in which the employer-employee or debtor-creditor relationship does not exist are held ineligible for group life by the council.

The bulletin states that level premium legal reserve life carriers, which owe their growth to level premium legal reserve life coverage are now engaged in what amounts to the sale of assessment insurance on a wholesale basis through extension of group coverage beyond logical limits. It is predicted that the result will be injury to life insurance in the same manner that increasing cost undermined the public relations of assessment companies.

Seek Canada Tax Change

TORONTO—Ryrie Smith, chairman of Life Underwriters Assn. of Canada, says a recommendation has been made to the government that the Dominion succession duty act be amended to provide that in the case of life policies made payable in trust for the payment of succession duties, and used for that purpose, the cash surrender value immediately prior to death should be included in the aggregate value of the estate and be subject to duty, but that proceeds in excess of that value be not included, except to the extent that it exceeds the amount of succession duties payable.

Promote Van Patten, Keiser

Security Mutual Life of Binghamton has promoted Cornelius C. Van Patten, treasurer since 1929, to vice-president and treasurer, and Richard A. Keiser, assistant secretary and auditor, to secretary.

Howard D. Brown was named auditor; Richard E. Gehr, assistant auditor; Ford C. Handy, superintendent of tabulating; Gordon B. Hines, assistant underwriter.

Located after 50 Years

Through a story published in the Stillwater, Minn., "Gazette," Mutual Life located heirs of a man who took out a policy in 1885 and whose whereabouts were unknown to the company for the past 50 years. The policyholder formerly resided in Stillwater and it was there the policy was issued. The company contacted the city clerk of Stillwater, who sought the aid of the "Gazette." Several heirs of the policyholder were located and will receive the money due them.

Jefferson Standard Shifts

Jefferson Standard has appointed W. A. Nardoni manager at Boise. He has been head of the district office at Tucson. He joined Jefferson Standard two

years ago after three years in the army air forces.

V. C. Gaston, formerly district manager at Enid, Okla., becomes manager at Cheyenne succeeding C. M. Scholl, whose appointment as manager of a new branch at St. Louis was reported Feb. 20. Mr. Gaston joined Jefferson Standard in 1941 after 10 years experience in life insurance. Mr. Scholl joined the company at Galveston in 1943, becoming district manager there in 1944, and a few months later acting manager at Houston, then manager at Cheyenne.

Beneficial Life Plans

Beneficial Life has scheduled its annual convention to commence Aug. 27. It will be a 10-day excursion leaving Salt Lake City by special train to Seattle, thence by boat to Victoria and Vancouver, and then to Jasper National Park, Canada, for four days.

W. S. Barnes Now Secretary

SALT LAKE CITY—W. Scott Barnes, formerly assistant secretary, has been elected secretary of Pacific National Life. Louise Larsen, formerly assistant treasurer, becomes assistant secretary and Marian Herman, formerly manager of the renewal department, also becomes an assistant secretary.

LUTHERAN MUTUAL LIFE

INSURANCE COMPANY

Waverly, Iowa

69TH ANNUAL STATEMENT — DECEMBER 31, 1947

ASSETS		LIABILITIES	
First Mortgage Loans	\$12,294,824.68	Policy Reserves	\$24,284,566.00
Bonds	15,969,140.14	Advance Premium and Interest Payments	720,907.24
Home Office Building	87,949.90	Reserve for Claims	821,553.12
Real Estate Sold Under Contract	32,652.49	Dividend Accumulations	1,864,034.62
Policy Loans	970,211.93	Reserve for Taxes	87,000.00
Interest Due and Accrued	202,778.08	Reserve for 1948 Dividends to Policyholders	650,000.00
Cash in Banks and Office	613,854.09	All Other Liabilities	87,548.04
Premiums Due and Deferred	581,201.87	Special Contingency Reserve	\$ 150,000.00
		Unassigned Surplus	2,087,004.16
		Total Surplus Funds	2,237,004.16

TOTAL ADMITTED ASSETS

INSURANCE IN FORCE

PROGRESS

December 31st	Insurance in Force	Admitted Assets	Benefits excluding dividends) Paid Since Organization	Dividends Returned Since Organization
1928	\$ 18,466,955	\$ 1,730,173	\$3,112,283	\$ 139,565
1932	33,305,658	4,193,483	3,619,560	471,759
1936	49,117,387	6,973,202	4,318,125	930,441
1940	69,670,020	12,263,493	5,256,461	2,146,445
1942	86,933,624	16,142,292	5,887,084	3,048,013
1943	95,919,738	18,552,160	6,213,250	3,511,366
1944	106,670,114	21,193,808	6,730,091	4,032,771
1945	117,809,058	23,858,101	7,612,871	4,582,263
1946	134,287,390	26,975,606	8,387,043	5,139,727
1947	153,176,253	30,752,613	9,039,887	5,729,059

EDITORIAL COMMENT

Keep Them Running in Their Own Lanes

Those in charge of getting speakers for sales congresses and other meetings at which anywhere from two to half a dozen speakers are to talk can do their audiences and their speakers a real service by doing a better job of coordinating the speakers' subject material.

The usual system of getting speaking talent attempts in some measure to avoid having two or more speakers cover the same ground but it takes more than routine follow-up work to determine what each speaker is going to say and arrange things so that somebody won't be covering the same points as a previous speaker or, what is about as bad, trying at the last minute to change his talk around after hearing a previous speaker steal his thunder.

The speaker who hears a preceding orator cover essentially the same points that he intended to make is really in a tough spot. It sounds very lame to say, "The previous speaker has really made my speech for me." It sounds like an excuse for not having prepared anything much. The audience's suspicions on this point are likely to be, as they think, confirmed as the speaker flubs around trying to recast his talk so it will sound different from his predecessor's. Instead of the smooth, well-organized address he intended to deliver the victim finds himself forced to ad-lib. That is all right if he is gifted in that direction but not many are. The result is all too likely to be that the audience feels it has been swindled when actually a little advance coordination would have avoided this sort of thing.

Even worse from the audience's point of view are the cases where a speaker arrives just before he is due to go on and has not heard what went before. It may very well happen that the speaker

will give a talk very similar to someone previously on the program now which can hardly be classed as a treat for the audience, no matter how good the talk might have been if it had not been virtually a repeat performance.

At one meeting a speaker who had not heard those before him even introduced his talk with exactly the same joke that one of the earlier speakers had employed. The audience listened dutifully through the lengthy dialect story and though dashed in its hope that the ending might be different, still managed to utter sounds of polite laughter. Of course, it is not fair to blame something like that on lack of coordination in the planning department as it is probably too much to expect speakers to coordinate their joke-telling.

Certainly speakers would not resent being asked well in advance to supply a rough idea of what they are going to talk about, particularly if they realized that the purpose was to prevent overlapping of subject matter. The title of a talk frequently gives no clue whatever to its contents. Often speakers give their talks titles that are deliberately cryptic in order to stimulate curiosity. Even where the title is meant to be descriptive of the material to be covered there is likely to be a wide range of material which the speaker can cover and it may well turn out that he chooses to stress some angle that another speaker is talking on.

Program chairmen may feel that if they are so fortunate as to line up a bunch of big-name speakers they should not harass them by asking them to outline what they are going to say, yet by doing so they can prevent much embarrassment among speakers and restlessness among audiences.

PERSONAL SIDE OF THE BUSINESS

Howard J. Tobin, vice-president of Northwestern Mutual Life, Milwaukee, addressed the meeting of Mortgage Bankers Assn. of America at Chicago.

Roy H. Sheldon of Los Angeles, leading producer for Equitable Life of Iowa, has just celebrated his 31st anniversary with the company.

Leonard M. Gardner, former counsel of the New York department, has arrived in Seoul, Korea, where he will act as liaison between courts, prosecutors and prison penal bureau and the United States personnel of agencies of the American government in matters affecting these agencies. He will also do re-

search and study on the civil and criminal codes of all nations on the basis of which to advise the drafting of proposed codes for Korea and in time will go into the insurance set-up of Korea. Mr. Gardner, following the United States reoccupation of the Philippines, went to Manila to assist former Superintendent Pink of New York in re-establishing the Philippine insurance department and continued to supervise this work after Mr. Pink returned to the United States.

William R. Balkin, a leading producer of the Rappaport general agency of Pacific Mutual Life in Chicago and also

a prominent general insurance broker, is to be given a testimonial dinner by friends and associates March 23 on his 20th anniversary in insurance. He started at the age of 14 as assistant to an insurance broker. Ten years ago he entered the business for himself and has been unusually successful in general insurance as well as paying for close to a million dollars of life insurance annually. He has been one of the leading personal producers of Pacific Mutual country wide and became a member of its Million Dollar Club last December when he led all the company's agencies. He was second in paid business in Pacific Mutual in 1947.

Norman H. Nelson, vice-president of Minnesota Mutual Life, has been named on a committee of the Mortgage Bankers Assn. to urge government aid in the housing situation.

W. F. Dean, Wichita representative of American United Life since 1915, celebrated his 91st birthday Feb. 27. Born in Ohio, Mr. Dean has lived in Kansas for 70 years. He was a traveling salesman for about 25 years before entering life insurance.

William M. Carr, now with the Norris Moffett agency at Nashville, recently celebrated his 25th year with Connecticut Mutual. He has made the company's Quarter Million Club five times and is now a member of the President's Club.

Eric G. Johnson, vice-president of Penn Mutual, has been appointed to the executive committee of the directors of Philadelphia Chamber of Commerce.

The 25th anniversary with Mutual Life of **Earl H. Frei**, northern Indiana manager, was observed at a luncheon at South Bend.

Franklin D'Olier, retired chairman of Prudential, has been in Morristown, N. J., hospital under treatment for high blood pressure. His condition is not serious.

DEATHS

Frank R. Fox, assistant manager of the Hartford branch of Travelers, died Tuesday at Veteran Hospital, Newington.

H. S. Harbeck, 57, assistant vice-president of Metropolitan Life, died at his home in Rockville Centre, Long Island.

Dr. F. H. Carber, who had been a medical director of Mutual Life since 1921, died at his home at Middlesex, N. J., at the age of 62, apparently of a heart attack. He graduated at Princeton and College of Physicians and Surgeons at Columbia. He was the author of several medical works including "Fifteen Years of Goitre Underwriting."

Mich. Annual Meeting May 5

Michigan Assn. of Life Underwriters is holding its annual meeting at Detroit, May 5. At the conclusion of its session, Life Leaders of Michigan will hold their annual meeting, to be conducted by Paul F. Millett and Robert F. Spindell of Chicago.

Detroit Life Underwriters Assn. annual sales conference also will be held,

starting the afternoon of May 5 and continuing through the following day.

Martin Ga. Ordinary Head of Life of Va.

John Kell Martin, Jr., has been named manager of the Georgia ordinary agency of Life of Virginia, with headquarters at Atlanta. He fills the post occupied by W. J. Milner, Jr., from 1939 until his transfer to the home office last month as ordinary-agency vice-president.

Mr. Martin attended Georgia School of Technology and also Washington & Lee University.

For 16½ years he was with New York Life, serving as assistant manager at Atlanta for the last 10 years.

Northern Life of Seattle Appoints Olson in Chicago

Joseph M. Olson has been named manager for Northern Life of Seattle at Chicago to succeed Thomas M. Temple, who has become general agent for Illinois Bankers Life.

Mr. Olson entered the business seven months ago with the agency he now manages. After serving as an air force captain and navigator, he joined Allstate at Chicago as a claim adjuster.

Neuman Los Angeles G. A.

Stanley J. Neuman has been appointed general agent at Los Angeles of Continental Assurance. He formerly was supervisor for the Arthur Kraus agency of Pacific Mutual.

Spend Weekend at Waldorf

Albert Burns, president, Harry E. Niles, vice-president, and Fred I. Wunderlick, superintendent of agencies, Baltimore Life, will head a contingent of 50 producers who qualified for the company's Quarter Million Dollar and Century Field Clubs for a week-end at the Waldorf-Astoria in New York March 5-7.

Big Jump in Pension Plans

The number of employee pension and profit-sharing plans in the country has increased from about 600 to 9,370 since 1940. E. A. Starr, assistant superintendent of agencies of Connecticut Mutual, told the Hartford C.L.U. chapter. He cited Treasury Department figures to show the gain of employee pension plans in recent years. He also discussed pension plans for key employees of companies which cannot afford to set up pension systems to include all workers. He described the part of insurance companies in underwriting pension plans.

Names Two Asst. Managers

General Agent Arthur E. Kraus of Pacific Mutual Life in Los Angeles, has appointed John Cobb and Reginald Watkins as assistant managers.

The H. Lee Leavell agency of John Hancock held a two-day sales meeting at Wichita.

THE NATIONAL UNDERWRITER

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OFFICERS: Howard J. President and Secretary. St., Cincinnati 2, Ohio.

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Program for Forum on Public Relations

"Company Public Relations—an Increasingly Important Function of Management" is the theme for the two-day public relations forum at Hotel Commodore, New York, March 30-31, sponsored jointly by Life Insurance Advertisers Assn. and Institute of Life Insurance. E. W. Craig, president of National Life & Accident and chairman of the institute, will open the session with a talk on "Management Sets the Pace," developing the theme that good public relations stem from management. Dr. Claude Robinson, president of Opinion Research Corp., will discuss "Public Ideas as a Guide to Performance" and R. W. Sparks, vice-president and treasurer of the Bowery Savings Bank, will outline its public relations activities.

Robert P. Kelsey, second vice-president in charge of advertising and public relations of John Hancock Mutual Life, will tell what his company is doing in giving individual employees a positive role in public relations. Fred Rudge, president of Fred Rudge, Inc., will illustrate through case examples the methods used by industrial corporations in enlisting employees in public relations work.

Clifford B. Reeves, second vice-president of Mutual Life, will report on "What One Life Insurance Company Has Done in Public Relations Research."

Continental Puts Grant in Charge of Southern Cal.

Continental Assurance has engaged John T. Grant as southern California superintendent of agents. He entered the insurance business in 1945 with the John W. Yates agency of Massachusetts Mutual at Los Angeles after serving as a wartime naval officer.

During 1946 he paid for \$400,000 ordinary. Joining the Howard Neal pension trusts organization, he gained considerable experience in pension trust and group insurance work.

Initially Mr. Grant will appoint general agencies in selected population centers and these general agencies will in turn operate district unit organizations.

Actuaries' War Work Told

Addressing the junior branch of Actuaries Club of New York, John B. Lathrop of the operations evaluation group of the navy, spoke on "Operations Research, Its Development and Methods."

With Union Labor Life in an actuarial capacity from 1927 to 1943, Mr. Lathrop during the war was with the antisubmarine warfare operations research group of the navy, and is now assigned to the naval war college as consultant to its staff.

A lively open forum developed, in which some of the former naval officers took their erstwhile "scientist" colleagues to task for the voluminous statistical records requested from combat officers.

The next meeting will be held at Newark the latter part of March.

Abernathy Heads S. E. Mo. Assn.

CARUTHERSVILLE—S. C. Abernathy has been named president of the Southeast Missouri Life Underwriters Assn. to succeed A. W. Brock, who had been transferred to Wichita. Mr. Abernathy had been first vice-president.

The midyear meeting of the Missouri Life Underwriters Assn. will be held at Jefferson City May 14. It will start with a luncheon at the Missouri hotel at noon, to be followed by a business meeting to end about 4 p.m. The Missouri association closed 1947 with a total of 1,293 members compared with 1,251 at the end of 1946.

Careful Estate Planning Held More Needed Than Ever

NEWARK — Careful planning of every estate large enough to be taxable is more important than ever and it is the job of estate planners to give their prospects a clear understanding of the seriousness of the situation and jar them out of their feeling of complacency or indifference, said Wallace N. Watson, president of the Estate Planning Corp. of New York City, at the annual meeting of the Life Insurance & Trust Council of North Jersey.

The association elected as president B. B. Baeky, National Newark & Essex Banking Co.; vice-presidents, Marvin Henkel, Mutual Benefit, and Daniel Reiber, Merchants & Newark Trust Co.; secretary, C. W. Mercer, Massachusetts Mutual; and treasurer, John Kress, Howard Savings Institution.

Mr. Baeky acted as chairman during the meeting because of the illness of the retiring president, Fred A. Dittmars, of Massachusetts Mutual.

Mr. Watson gave several cases to illustrate estate problems. For example, one client in the top estate and income tax bracket was advised to make a gift of \$1 million divided into four trusts of \$250,000 each, the ultimate beneficiaries to be one grandchild for each trust. The trustees were authorized to pay income to the wife during her life, any income not needed or paid to her to be taxed in the trust. The result was to greatly increase the net usable income to the family and the elimination of \$1,090,000 estate tax by paying a gift tax of \$340,000. Another suggestion was a \$500,000 charitable trust, making available to the children \$15,000 per year for charities, entirely free of tax, plus use of any principal desired for the same purpose.

Buys Wis. Utility Bonds

The Northwestern Mutual Life will purchase \$8,500,000 of bonds of Wisconsin River Power Co. at 2½% interest. It plans to build a \$7,600,000 hydroelectric power dam near Necedah and a \$5,800,000 dam near Mauston.

New Ky. Custodian

LOUISVILLE — Mrs. Jessee C. Thornton, Louisville, has been named state custodian of insurance securities, succeeding Mrs. Warren T. Stone. She must post \$100,000 bond. All securities posted by insurance companies are carried in bank vaults at Louisville.

Cleveland, St. Louis Are Brightest Spots in Jan.

Idaho showed the greatest rate of increase in ordinary life sales in January, with Nevada second and Montana third, according to L.I.A.M.A. Countrywide, ordinary business increased 8% in January compared with January, 1947, while Idaho sales gained 45%, Nevada 38% and Montana 37%.

Among the large cities, Cleveland showed the greatest rate of increase for January, with a gain of 32%. St. Louis was second with a gain of 25%. Boston was the only large city with a decline. Other cities gained by the percentage indicated: Chicago 11, Detroit 19, Los Angeles 12, New York 12, Philadelphia 18.

Southern Round Table to Meet at Biloxi May 2-4

The southern round table of Life Advertisers Assn. will be held at Buena Vista Hotel, Biloxi, Miss., May 2-4. J. W. Childrey, Atlantic Life, is chairman, and W. L. Hamrick, Gulf Life, will be program chairman.

B. C. Housel has resigned as vice-president of Home State Life because of ill-health.

THE WEATHER'S COLD BUT WE'RE HOT . . .

This winter's weather news has been telling of blizzards and snows and extreme cold in all sections. Even here in the Southland, it has been a little rough.

But we're still hot here at the National Life, after closing out a fine record for 1947, and starting another for 1948.

§

The
NATIONAL LIFE AND ACCIDENT Insurance Company, Inc.



ACCIDENT AND HEALTH

Chicago Sales Congress March 16; List Speakers

Four speakers will address the sales congress March 16 of the Chicago Accident & Health Association. The meeting will be in the auditorium of the Insurance Exchange building.

On the program are William Ryan, leading accident producer of W. A. Alexander & Co. of Chicago, who will speak on "Frame of Mind Selling Accident Insurance"; Eugene F. Gregory, of Business Men's Assurance, Denver, first vice-president National association, on "Seven Keys in Closing," and Ben Bodwell, a leading disability salesmen of Monarch Life, Chicago, on selling disability insurance. Wind-up speaker is Travis Wallace, president of Great American Reserve of Dallas, on "Shoot the Moon."

Benjamin H. Groves, life and accident manager in Chicago for Travelers, and vice-president of the Chicago association, is program chairman. Mr. Groves has been responsible for the fine array of meetings the association has had this year.

The Chicago association has been on the top in total membership for local associations since last September and has more than doubled its membership in the past year. The sales congress will climax the year's activities and a capacity audience is expected.

Line Up Conference Program

H. J. Stewart, executive vice-president of West Coast Life, chairman of the program committee for the annual meeting of Health & Accident Underwriters Conference at San Francisco May 11-13 reports that the program has been almost completed. Mr. Stewart says the coast speakers have accepted and the schedule

for one day is complete. He expects the entire program to be ready for release about March 15. He conferred Monday with H. O. Fishback of Northern Life, a member of the program committee, who was in San Francisco as an "observer" of the meeting of zone 6 commissioners.

Mass. Blue Cross Now Will Continue Maternity Benefits

Massachusetts Blue Cross has proposed a new contract to continue maternity benefits but requiring a 12 month waiting period for new members. Last month the plan announced discontinuance of all maternity benefits and drew protests from thousands of policyholders.

Under its previous plan, Massachusetts Blue Cross required no waiting period and was "subjected to an avalanche of bargain rate baby cases." Frequently mothers received full hospital care for payment of a single monthly premium of \$3.25.

The plan will maintain all hospital services such as drugs, x-rays, anesthesia, etc., but will pay top for room and board of \$7 a day for 30 instead of 120 days as previously. Part payments will be made for 90 days.

Fla. Congress Big Success

The mid-winter meeting and sales congress of Florida Assn. of A.&H. Underwriters at Tampa brought forth a good attendance to hear an excellent program of speakers. Heading the list was Commissioner Larson of Florida, accompanied by Deputies Edward Faircloth and J. F. Alexander.

Other speakers were Dr. C. F. Chunn, who discussed "The Doctor's Stand in Relation to Health and Ac-

cident Insurance;" Mrs. Angie Ne-Smith, credit manager at Tampa Municipal Hospital, "Hospitalization from the Hospital Standpoint;" Seldon Waldo, immediate past president United States Junior Chamber of Commerce; James E. Powell, vice-president Provident Life & Accident, "Insurance Companies and the Insurance Department," and John Hammer, Massachusetts Mutual Life, "The Philosophy of Selling."

Earl R. Bennett, general agent of Provident Life & Accident at Tampa, was convention chairman.

H. Barrett King, manager of World, Florida association president, announced it will hold its annual meeting at Miami in May.

Seek Alternatives

WASHINGTON—Members of Group Health Assn., local medical cooperative, in annual meeting instructed the directors to consider alternative plans to its earlier recommendation of increased dues. The directors were asked to reexamine GHA's finances and submit alternatives together with a detailed budget at a special membership meeting. Alternatives suggested included slight curtailment of certain services, and an intensive membership drive.

About 500 attended out of total membership of 14,000. Proposed rate increases recommended by the board were from \$3 to \$8.50 per month for adults and from \$2 to \$2.25 for children.

Announce Ohio Speakers

Speakers at the annual meeting and sales congress of Ohio Assn. of Accident & Health Underwriters at Columbus April 9 will include James E. Powell, vice-president Provident Life & Accident; Gilbert H. Knight, president of the National association, and Jay DeYoung, Continental Casualty, president Chicago association.

Committee Meets March 10

The advisory committee recently named by Commissioner Downey to consult with the California department about courses of study to be used by companies writing disability business in training applicants for agents' licenses will hold its initial meeting at Los Angeles March 10. Members are: R. H. Belknap, Occidental Life; Kellogg Van Winkle, Equitable Society, and W. E. Leiby, Massachusetts Indemnity, Los Angeles; A. B. Brown, Metropolitan Life, and Edward Keller, Reliance Life, San Francisco.

Limit Creditor Cover

ALBANY—The New York Senate has passed a bill providing that group accident and health policies issued to creditors or vendors insurance groups shall not exceed the amount of unpaid debt or \$2,500, whichever is less.

Continental Insures A. M. A.

American Medical Assn. headquarters in Chicago has withdrawn its 700 employees from Blue Cross and taken group hospitalization and medical coverage with Continental Assurance. The reason given for the move was that Blue Cross could give no guaranty that rates would not be increased in the coming year.

N. Y. Hospitals Honor Pink

Members of Greater New York Hospital Assn. last week presented a citation to Louis H. Pink for his leadership in the Blue Cross movement and cooperation with New York hospitals during his five years as president and chairman of the board of directors of Associated Hospital Service of New York. The presentation was made by Dr. Edward B. Bernecker, commissioner of hospitals of New York city. Mr. Pink formerly was New York insurance superintendent.

ASSOCIATIONS

Washington and Baltimore Agents Hold Sales Congress

WASHINGTON—Speaking at the Washington-Baltimore sales congress, Carlton W. Cox, Metropolitan manager at Paterson, N. J., and N.A.L.U. trustee, said, that whereas the agent has complete freedom to change jobs and air his complaints, he has a number of responsibilities which go with his occupation. He must make sure that he is not just availing himself of his privileges and leaving unfilled his responsibilities to his fellow agents, his company, his policyholders, his community and his family.

R. E. Heflebower, Brookings Institute, said that a \$20,000 estate in 1940 would have to be raised to at least \$30,000 to afford equal protection today. He predicted that interest rates will rise gradually as a result of the world-wide shortage of capital.

The morning session was presided over by John D. Marsh, Lincoln National manager in Washington, who was chairman of the sales congress committee. E. J. Clark, Jr., John Hancock, Baltimore, conducted the afternoon session.

Speakers included D. B. Fluegelman, Northwestern Mutual, New York; Isaac S. Kibrick, New York Life, Boston; M. M. Matson, Mutual Benefit Life, Cleveland, and B. N. Woodson, executive vice-president of Commonwealth Life.

More Ohio Congresses

Under the auspices of Ohio Assn. of Life Underwriters and the local associations, caravan sales congresses will be held at Hamilton March 11 and Springfield March 12. Presiding will be W. Thomas Craig, Aetna Life, Cincinnati. Speakers will be William A. Young,



Cakes are made from various ingredients, but our cake contains—Special service—Sharp selling aids—A complete line of policies—A tried and tested recruiting plan—A proven training procedure.

The "Icing" is the Pan-American Life's
NEW AGENT'S COMPENSATION PLAN
BUILT FOR THE CAREER MAN

LIFETIME COMPENSATION
plus
BONUS FOR QUALITY BUSINESS

CONTINUOUS RENEWALS
NON-CONTRIBUTORY PENSION
DISABILITY BENEFITS
DEATH BENEFITS

How's that for icing?

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Home Office Agents Schools

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- JUVENILE (Full coverage from Age 1)
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Vice-President

American
Mutual life

INSURANCE COMPANY
DES MOINES, IOWA

Connecticut General; Elsworth E. Reid, New England Mutual, and L. M. Wear, Prudential, all of Toledo. Superintendent Shield and Lloyd H. Feder, Reliance Life, Cleveland, president of the state association, are also expected to attend.

Salt Lake City—Utah Assn. of Life Underwriters has prepared articles of incorporation.

Fort Worth—Arthur Coburn, vice-president of Southwestern Life, gave an illuminating talk on the new mortality table. A meeting is scheduled for February at which 17 will become affiliated with the Fort Worth association. There will be a dinner April 22 honoring Jul B. Baumann, president of N.A.L.U.

Miami, Fla.—American business men can make an important individual contribution towards attainment of the objectives of the Marshall plan, Holgar J. Johnson, president of Institute of Life Insurance, said at a joint meeting with the Miami Chamber of Commerce.

He told how life insurance business is meeting its public relations responsibilities.

North Montana—George Redding, New York Life, discussed gift and estate taxes urging that all agents inform themselves concerning federal laws and regulations pertaining to these taxes.

Columbus, O.—Keith S. Smith, John Hancock, Peoria, Ill., spoke Friday on "Selling Strangers."

Jackson, Tenn.—James E. Fly, Nashville manager of General American Life, spoke at the February meeting. He was scheduled to speak in January but bad weather prevented his keeping the engagement.

Lincoln, Neb.—John C. Whitte, vice-president of First Trust Co., spoke on "The Life Underwriter and the Trust Officer."

Syracuse—H. Bruce Palmer, vice-president of Mutual Benefit Life spoke on "Today's Broadened Responsibilities."

San Francisco—At the February meeting 47 new members were admitted. Gilbert Ball, California-Western States Life, is conducting an intensive campaign to close the association year with its largest membership.

Green Bay, Wis.—Frank Neu, National Guardian Life, Green Bay, spoke on "Time Control" at a luncheon meeting of Northeast Wisconsin association.

Kenosha, Wis.—Harold J. Sporer, Racine attorney and tax authority, discussed "Taxation Affecting Life Insurance" at a dinner meeting of the Racine-Kenosha association.

Sheboygan, Wis.—Speaking on "There's a Way with a Will," William F. Schlundt, assistant vice-president and trust officer of Security National Bank and president of Corporate Fiduciaries Assn. of Wisconsin, discussed the importance of making a will.

In speaking of the value of life insurance in estate settlement, Mr. Schlundt said that, due to the high estate and inheritance taxes and other immediate cash needs of the executor, "we, who are in the estate settlement business, like to see people carry at least enough life insurance to pay their just debts and taxes, thereby eliminating the necessity of forced sale of other assets at inopportune times, and leaving the rest of their property free for use of their loved ones."

St. Joseph, Mo.—John W. Saylor, vice-president of Business Men's Assurance, spoke on "Effective Selling Methods". Sam T. Utz, General American Life, discussed the national quality award.

Paul Poppe, Metropolitan Life, was appointed program chairman to succeed George Schlemmer, also Metropolitan Life, who has been transferred to St. Louis.

Mr. Saylor was introduced by Lloyd Shanklin, B. M. A., St. Joseph.

Gary, Ind.—John M. Caffrey, manager of John Hancock in the Roseland district, Chicago, addressed the Calumet association on "Selling Them."

Wheeling, W. Va.—Robert C. Miller, Connecticut Mutual, Cincinnati, O., who paid for 104 cases for over \$400,000 in his first year, gave a talk "The Hard Hearted Man Is No Prospect."

Andrew B. Chilson, Ohio State Life, introduced the speaker.

Mr. Miller sells veterans on converting G.I. insurance to a permanent basis and has made many friends by so doing. He said that through arranging the insurance properly to get maximum income, the agent can perform a real service. The young family man needs protec-

tion in his early years and for this reason, he said, he concentrates on paid up at 65, or endowment at 65 contracts. He advocates evening interviews with the husband and wife.

Albany—Joseph Kennealy of Metropolitan Life's field training division at the home office will discuss "Prospecting" April 2.

Manhattan, Kan.—Raymond T. Wright, million dollar producer of Provident Mutual at Lawrence, spoke at the February meeting. L. M. Fitch, National Life & Accident, was elected vice-president to replace Neil E. Haggard, Provident Mutual, who has resigned to return to the army for overseas duty with the rank of major.

SALES MEETS

American National Ordinary Leaders Hold 3-Day Parley

About 350 took part in the three-day convention at Galveston of the Leading Producers Club of the ordinary department of American National.



D. J. Martino

At the opening luncheon speakers were W. L. Vogler, executive vice-president, and Commissioner Butler of Texas. Guests of honor were the officers of the club: G. A. Hollman, Oklahoma City, president; J. W. Hart-

man, San Francisco, D. W. Cunningham, Houston, and J. C. French, Galveston, vice-presidents. At the first business session at Indianapolis, W. V. Woollen, director of agencies for the central division, presided. The theme was quality business. James R. Adams, director of agencies for the southeastern division, analyzed what the agent derives from an increase in the quality of his business. Mr. Woollen described the clues leading to a recognition of quality business and several agents spoke.

Club members and their wives were guests of President W. L. Moody, Jr., at a reception at his home that evening.

R. E. Bowden, western director of agencies, presided the next day.

Messages were heard from various club members and D. J. Martino, superintendent of ordinary agencies, outlined 1949 convention qualifications.

At the grand banquet that evening, outstanding men in the organization were honored.

Officers of the Leading Producers Club were presented plaques of office. Most outstanding new agent of 1947 award went to J. W. Hartman. The banner for most outstanding agency of 1947 was received by Phil B. Noah. Trophies were presented by the divisional directors to the leading agents and agencies on basis of paid life in their regions.

Moody month awards were presented for the most outstanding accomplishments during the recent January drive. Denver agency, under Keith Collier, received the plaque for making the best increase over any month of 1947.

Trophies were presented to seven who had been on the app-a-week club for 10 or more consecutive years, these representing over 4,100 weeks of continuous consecutive production.

At the final business session M. Allen Anderson, director of ordinary agencies for Texas, presided. Closing speaker was James R. Adams.

Mr. Martino was general chairman

of the meeting assisted by Geo. Christopher, director of sales promotion.

Conclude Advanced Course

There were 14 salesmen from 13 agencies of Bankers Life of Iowa at an advanced school at the home office. Richard R. Hoffman, St. Louis, wrote the largest amount for the school with \$719,600 issued during the qualifying period. Second was Gerard T. Mahaffa, Des Moines, with \$498,250.

Wade Martin Reelected

Wade O. Martin, Jr., secretary of state and insurance commissioner of Louisiana, was reelected in the Democratic primary. Martin defeated his opponent by one of the largest majorities ever received by a candidate for state office who had organized opposition. He is president of National Assn. of Secretaries of State and is zone chairman of National Assn. of Insurance Commissioners.

Hardy Honored at Dinner

NEW YORK—E. R. Hardy, retired secretary-treasurer of Insurance Institute of America, was honored by more than 125 friends and associates at a

dinner at the Drug & Chemical Club. James A. McLain, president of Guardian Life and head of the institute, presented Mr. Hardy a scroll tribute. William D. Winter chairman of Atlantic Mutual,

S.M.U. Advanced Seminar

Southern Methodist University will hold an advanced seminar May 10-15 on the campus, students being lodged in a dormitory and having their meals at the college cafeteria.

There will be 30 hours of classroom work with evening assignments. Subjects include programming, business insurance, federal and state taxes, estate analysis. There will be talks on deferred compensation, pension trusts. Class, limited to 50, is open to men and women with two years successful life insurance experience and not less than \$200,000 of volume in the last year, except for managers or home office people not now selling. The cost is \$75 for tuition, board and room.

Hancock Promotes Meyer

John Hancock has promoted Harold A. Meyer, assistant district manager at Mount Vernon, N. Y., to manager at Springfield, Ill., succeeding Mitchell T. Melham, resigned.

ANNUAL STATEMENT

December 31, 1947

\$85,526,708.36

PAID TO POLICYHOLDERS AND BENEFICIARIES SINCE 1887

ASSETS	
Bonds (Amortized Value).....	\$38,570,522.64
U. S. Government.....	\$18,765,455.70
State & Municipal.....	721,187.33
U. S. Railroad.....	5,097,622.40
Public Utilities.....	9,037,311.61
Canadian.....	1,915,499.22
Industrial.....	3,033,446.38
Stocks (Preferred \$2,232,563.46; Common \$213,875.00).....	2,446,438.46
First Mortgages (Farm \$1,843,386.55; City \$1,841,740.20; FHA \$3,836,267.12).....	7,521,393.87
Real Estate (Home Office \$34,268.83; Farms \$18,725.13; Contract Sale \$292,147.66).....	345,141.62
Loans on policies.....	2,776,047.70
Cash in Office and Banks.....	1,114,728.02
Accrued Interest and Rents.....	436,884.07
Due from Re-Insurance.....	8,734.49
Deferred and Unreported Premiums and Misc. Items (less non-admitted).....	220,965.20
TOTAL	\$53,440,856.07

LIABILITIES	
Policyholders Reserves.....	\$46,714,434.03
Policy Reserves.....	\$41,891,815.69
Supplementary Contracts.....	2,297,738.34
Prepaid Premiums.....	1,472,910.77
Dividends Left at Interest.....	1,051,969.23
Premiums Paid in Advance and Accounts Accrued.....	98,287.48
Dividends to Policyholders Payable in 1948.....	625,402.10
and Reserves for Deferred Dividends.....	150,000.00
Reserve for Taxes Payable in 1948.....	747,741.44
Reserve for Retirement Plans.....	207,306.40
Death Claims Reported, no proofs, incl. \$50,000 Reserve for not reported.....	128,785.95
Reserve for Miscellaneous Small Accounts.....	4,768,893.67
Additional Funds for Protection of Policyholders.....	
Capital Stock Paid Up.....	\$ 102,151.96
Surplus from Trusts.....	
Contingency Reserve for Participating Business written since January 1, 1915.....	1,198,111.17
Unassigned Funds—	
Surplus.....	2,968,630.54
TOTAL	\$53,440,856.07

RECORD FOR 1947

Insurance Issued, Revived and Increased.....	\$ 37,892,106.60
Increase in Insurance in Force.....	23,641,803.51
Insurance in Force December 31, 1947.....	217,994,380.98
Increase in Assets.....	2,685,640.11

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BANKERS LIFE Insurance Company of NEBRASKA

Gratuitous Plan for Army-Navy Cover Is Unveiled

Movement Gains Strength to Put End to NSLI

WASHINGTON—The plan for gratuitous government life insurance for armed service personnel in peacetime and during future wars, and to end national service life, which was developed by the joint army-navy personnel board, has been released, and Rep. Schafer, Michigan, promised the House his armed services subcommittee "will get busy on the legislation just as soon as the wishes of the armed services are made known."

Mr. Schafer called House attention to a recent NATIONAL UNDERWRITER editorial which he interpreted as stating an estimate of President Truman that the NSL surplus will be \$7.3 billion next June. The Congressman used this

as a peg upon which to hang an attack on NSL. The editorial said: "According to Mr. Breining, any dividend that may be distributed will be from surplus in this (NSLI) fund, which President Truman estimates at reaching \$7.3 billion by June 30, 1949."

Mr. Schafer said: "Mr. Speaker, THE NATIONAL UNDERWRITER," in its issue of Feb. 20, carries an editorial which in substance states that President Truman estimates the surplus of National Service Life Insurance will reach \$7.3 billion by June 30, 1949. I figured you and the public might be interested to know how this is being accomplished.

Got Blank Check

"Bear in mind that the NSLI was organized to pay death claims resulting from war service. It was only these claims that the private insurance companies could not afford to pay. NSLI was given a 'blank check' on the federal treasury for the purpose of keeping the company solvent. As far as life insurance agents and the public were concerned, that was all.

"Now, it is revealed that the total claims attributable to war were not paid from this fund, but from the federal treasury in whole. Only deaths coverable by the private life insurance companies were charged to NSLI. This resulted in about \$3 billion expense, so I am informed. Charged to the federal treasury, which should have been charged to the NSLI fund.

"In fairness to the taxpaying public and to the insurance fraternity, I would like to see that the federal treasury is reimbursed for the fake robbery that has occurred before NSLI is permitted to declare a surplus of any kind and distribute a dividend.

Cites Insurance Support

"The life insurance men of the U. S. were the main supporters and backers of NSLI on the principles of its organization.

"The present accumulation of dividends and the tremendous amount of publicity on this subject make unrealistic and unfair results as compared to the present accomplishments of life insurance companies. The public has been led to believe that insurance sold by private companies could be much cheaper than it really is, if the companies were willing to forego profits. And this publicity comes from government sources at the very time the private companies still do most of the contact work in connection with NSLI.

"Mr. Speaker, the insurance men of this country—the companies, the agents and the men who work on debts and earn their living by selling insurance—deserve better than they have been getting from Uncle Sam on this NSLI deal. The people ought to know the truth about how certain agencies have used double-bookkeeping to make the public think that something is true that is not true at all. Congress ought to get to the bottom of this insurance mixup and see to it that the people get the whole truth and nothing but the truth.

Sees Socialistic Implications

Rep. Schafer told the House he has received letters from insurance executives regarding the army-navy project for gratuitous insurance. He charged that "the present method" of government insurance is "unduly expensive to taxpayers and socialistic in implication" and "about as inefficiently handled as it possibly could be."

He said he had a letter from H. Loree Harvey, of Equitable Life of Iowa at Kalamazoo, Mich., reporting insurance men in that area favor legislation to "correct abuses in the present system."

Harvey wrote that N.A.L.U. advocated gratuitous insurance.

Mr. Schaffer presented a letter from Secretary of Defense Forrestal indicating the project was being held up pending completion of a study of "the whole problem of pay, physical disability benefits, and death gratuities." The joint

board's recommendations, Forrestal said, will be sent to the Secretaries of the Army, Navy and Air Force for further recommendation before legislation is initiated.

The board recommended a program protection would be continued in effect for 31 days, providing that the NSLI act of 1940 be amended to restrict its benefits to individuals having policies already in effect and to those individuals eligible for such insurance by virtue of past service, except that if after active duty, an individual cannot secure commercial life insurance and waiver of payment of premiums on account of total disability if applied for, without the payment of an extra premium as the result of a service incurred impairment of mind or body, the government will grant him NSLI up to \$10,000 without a physical examination, provided application is made within one year.

Gratuitous insurance to the tune of \$10,000 would be granted to every person who dies while on active service or within 31 days thereafter. The amount of this insurance, when added to insurance under plans originating in the last two wars, would not in the aggregate exceed \$10,000.

Those holding insurance originating in any of the acts of the acts in the first or second wars would have the privilege while on active duty of electing to continue such insurance in lieu of gratuitous insurance in which event he would receive therefore, a credit in an amount equal to the value of the gratuitous insurance, such value to be determined on the basis of his attained age computed from the CSO table at 3%.

No Beneficiary Designation

No beneficiary designation would be made in gratuitous insurance and the proceeds would be paid by the administering agency, proof of dependency not required, in a specified order.

The mode of settlement would not be determined prior to death, but the beneficiary first entitled to receive the proceeds thereunder would have the right to elect the mode of settlement best suited at that time in accordance with one of the following options:

Option 1: Monthly installments of not less than \$50 or more than \$200 for so long as the proceeds with interest would last, the beneficiary to have the privilege of electing to receive up to 20% in a lump sum and the balance in monthly installments.

Monthly Refund Life Income

Option 2: A monthly refund life income, the beneficiary to have the privilege of electing to receive up to 20% in a lump sum and the balance as a monthly refund life income.

Gratuitous insurance would not be subject to conversion upon separation from active service but the protection would be continued in effect for 31 days.

As veterans administrator, General Bradley was reported to have been opposed to the plan formerly, but Assistant VA Administrator Breining told the House veterans affairs committee he had originally proposed gratuitous insurance about 1940, but that President Roosevelt vetoed it.

RECORDS

SECURITY MUTUAL OF BINGHAMTON—Paid for nearly \$3,500,000 in January, its biggest January on record.

OCCIDENTAL, CAL.—January ordinary production was \$20,555,278 as against \$18,778,112, indicating that the change to the CSO basis Dec. 15 had little effect on production.

BANKERS OF IA.—New business in January totaled \$10,494,795 of which \$9,413,795 was ordinary. Insurance in force totaled \$1,286,751,119 composed of \$1,101,570,190 ordinary and \$185,180,929 group. This represented a gain of \$132,400,000.

PACIFIC MUTUAL—Paid business in February showed a gain of 15%.

Cashiers Hear Windsor

Jack C. Windsor, Wisconsin manager of Connecticut General, Milwaukee, spoke on "The Integrated Prospect" before Life Insurance Cashiers Assn. of Milwaukee.

Gets O.K. on Building

The application of Connecticut Mutual and the Hartford Hospital to erect an eight-story professional building near the hospital was approved Monday by the zoning board of appeals. The company will finance construction of the building, which will contain offices for doctors.

At a recent hearing some objected to the new building on the ground that a commercial structure would be out of place in the neighborhood.

Shattuck at Pittsburgh

Mayo A. Shattuck, Boston lawyer and specialist in estate planning, is addressing a dinner meeting of Pittsburgh Life Insurance & Trust Council March 16 on "Encouraging Developments in the Art of Estate Planning."

This will be in the nature of a joint get-together of the Trust Council, Corporate Fiduciaries Assn. of Allegheny County and Life Managers Assn. There will be a reception prior to the dinner.

The Actuaries Club of Boston will dine March 12 with Herbert S. Gardner as chairman.

WANT ADS

ASSISTANT GENERAL AGENT WANTED

Progressive Chicago Agency of one of America's largest life insurance companies wants a man with qualifications which will enable him to become a general agent within five years. This is an unusual opportunity and it requires a man of unusual ability, under age 40. Do not apply unless you can pass a rigid examination as to ability and business background. Address P-20, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

A rapidly-growing Company doing business in the Central states has need for office man experienced in Health and Accident underwriting, and also a man to assist Agency Director in educational and editorial work. Young men ambitious for advancement have unusual opportunity here. Address P-9, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

EXCEPTIONAL CLIENTEL

Qualified Life producer, agency organizer, several years home office executive, now permanent resident San Diego, California, age 38, healthy, ample finances, desires General Agency or Branch Office, San Diego and vicinity for legal reserve company. Qualified to handle entry to state. Unusual references. Act now. Address P-10, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

ACTUARY DESIRES TO RELOCATE

Seventeen years experience. Twelve years with present company as actuary and office manager. Familiar with all phases of life and health and accident insurance. Experienced with I. B. M. Age 42. Address P-24, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Home Office Underwriter—Age 40—specializing Employee Life Insurance wishes wider opportunity with progressive company. Now employed secondary position large eastern company—20 years experience all phases underwriting and successful expansion of employee plans. Address P-25, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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Where Field Leaders Grow With

Over half century of service.
Over quarter billion insurance.
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A mutual company.
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Wide range of policies age 0 to 65
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Friendly midwestern home office.
Excellent agents' pension plan.
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Growing with a plan for
the development of
sales leadership the
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for Underwriter
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and Company.



CENTRAL LIFE ASSURANCE SOCIETY

Home Office (Mutual)

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McLain Reports on Guardian Life Salary Experiment

James A. McLain, president of Guardian Life, reported at the Saratoga Springs



J. A. McLain

management conference of the general agents and managers' section of the New York State Life Underwriters Assn. on the progress of his company's experiment hiring new salesmen as employees on a salary and incentive pay plan. He explained that this is a new approach to the problem, in no sense a re-shuffle of the traditional commission contract and in no way related to advances against future earnings. The contract of employment sets up specific standards and if they are met they will be renewed annually to retirement age when the salesman is automatically entitled to a retirement income augmented if he elects by his own contributions.

Mr. McLain told the manager that his company introduced this plan 2½ years ago and the experimental group is still small. Since salaried salesmen are direct home office employees, final hiring approval rests with the home office. Initial selection requirements were very stiff, but in the early months, those responsible did not always keep up the bars, he said. That proved expensive and soon resulted in their doing everything that had been intended.

Altogether in the experiment, Guardian Life has hired 106 salesmen. Of this group 60 were still employed on Jan. 31, the president said. Of the 59 hired during the first year only 26 were on the payroll Jan. 31. However, during 1947, 42 were hired and only six are not with the company today. As an example of how selective the company is, last year there were negotiations with 635 possibilities and only 36 were hired as salaried agents.

Experience convinces Guardian Life that the key to successful hiring is the appraisal of the prospective salesman's market by the manager and its evaluation by the home office. The company must know whom he knows before he is hired. This appraisal requires definite techniques and it is not always accurately made by managers, particularly those who have managed for some years.

Employed Weighted Formula

Guardian Life employs a formula which gives proper weight to every age and income group in evaluating the market of a prospective salesman. The rules prohibit hiring a man whose market will not produce enough sales to warrant the salary he needs to live comfortably. He commented that terminations have almost without exception, occurred in cases where the company knowingly violated its own rules. In most instances this was done because of managerial pressure, the man had a lot of personality and drive, probably was a veteran and the manager was convinced that a missing market could be supplied. Often the manager didn't have confidence in the market appraisal and the valuation. These mistakes have made the company determined not to violate regulations. In only three out of the 43

terminations did the men released have adequate markets.

Guardian Life has observed that terminations in the great majority of cases occurred where the salesmen were under a general agent rather than a manager. This fact, if it has significance, suggests that the experienced general agent quite naturally does not follow the book as closely as salaried managers, he commented.

Mr. McLain declared that, though the usual production factors need not be kept for this group, it has been done for comparative purposes and shows that the failures produced \$5,184 per man per month until resignation or discharge. There are 27 salesmen still in their first year who have averaged \$9,793 per man per month. All of the 33 salesmen who have completed one year averaged \$19,862 per man per month. The 13 salesmen who have completed two years have averaged \$21,390. Total production of salaried salesmen during 1947 was better than \$11 million.

First Year Salary \$263 Monthly

The average monthly salary of those who have completed one year is \$263 with additional incentive pay averaging \$772 for the year. The average monthly salary of the two year men is \$290 in the second year. All but one received the salary increase for the third year, the average increase being \$49 month. Expressed differently, on averages each man in this group earned \$3,604 his first year, \$4,162 his second and had a salary increase of almost \$50 a month at the start of the third year.

The lowest monthly salary for the entire group was \$150, the highest \$450, 29 out of 33 received incentive pay during the first year, for a low of \$57 and a high of \$2,430. Salary reductions were received by four during the second year, incentive pay went to 12 out of 13 in the second year, a low of \$122 and a high of \$3,628. These 12 received salary increases for the third year, the lowest was \$12 per month and the highest \$112. Of the salaried salesmen, one has been made a manager and another was appointed associate manager and three others are agency supervisors.

Mr. McLain concludes, "Of the several things proven thus far in our experiment, one particularly impresses me: we have not hired the number of salesmen that we should have hired. In 1948 we plan to double the number hired in 1947. If just to keep us on our toes, we expect to make our continuing experience available to those within the industry who have an interest in what we believe to be the new look of compensation."

Prudential Gets Piece of Rock of Gibraltar

The British government this week presented a 1½ ton piece of the rock of Gibraltar to Prudential. Peter Mennell, British consul in New York City, presented the rock to Carrol M. Shanks, Prudential president, at a ceremony at Newark airport.

The rock will be used as a cornerstone of Prudential's \$7 million western head office building now being constructed in Los Angeles. After the ceremony the rock was loaded aboard a plane for shipment to Los Angeles.

Named by Baltimore Life

Baltimore Life has appointed Samuel Silverstein as a staff superintendent in Philadelphia. He has been an agent there.

Huppeler Manages New England Agency in New York City

New England Mutual has designated Lambert M. Huppeler manager of the



L. M. Huppeler

former Dawson agency in New York effective March 15. He has been superintendent of agencies of Massachusetts Mutual.

Mr. Huppeler graduated from the University of North Dakota in 1932 and became an agent in Syracuse, N. Y. In 1935 he went to New York as an agency supervisor

and after a year as associate manager in Binghamton, N. Y., he joined the home office staff of Massachusetts Mutual in 1938. He became assistant superintendent of agencies in 1941 and last year was appointed superintendent of agencies.

He revised the Massachusetts Mutual

training course, organized and directed review schools and organized and managed the pension trust department. He became a C.L.U. in 1935.

Walter T. McIntosh, acting manager since C. Preston Dawson's death, continues as supervisor.

N. Y. C. Sales Congress Will Feature Six Speakers

The program of the March 11 sales congress of the Life Underwriters Assn. of New York City will feature the following speakers:

Walter A. Craig, State Mutual, Philadelphia; Fernand De Haerne, Montreal manager of La Sauvegarde; Ralph G. Engelsman, general agent of Penn Mutual, New York City; David Stock, attorney, who will also conduct a panel on deferred compensation; Lynn H. Broadus, manager Guardian Life, Chicago; David B. Fluegelman, Northwestern Mutual, New York.

S. B. L. I. Conference June 25-27

The annual tri-state conference on savings bank life insurance will be held June 25-27 at the Ocean House, Watch Hill, R. I. Connecticut savings banks will act as hosts.

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In "The Happiest Insurance Family in America"

This is YOUR opportunity to become associated with a group of enthusiastic insurance moneymakers and a friendly company that is genuinely agency-minded. Join our "stars".

Read what a few of our STARS said:

- ★ "I now own a hotel, a bus line and a thirty thousand dollar home—the Illinois Bankers Life Assurance Co. has been the foundation of my prosperity."
B. K. (Illinois)*
- ★ "Our \$3,018,890 business last year was built around the Miracle Letter, Complete Coverage Package, Bread and Butter, and Horse and Buggy sales plans of Illinois Bankers Life Assurance Company."
F. A. (Ohio)*
- ★ "Your Miracle letter is truly a miracle. \$2,163.62 premium on one recent Miracle Lead. My agency flourishing — built on Miracle Leads without my having previous insurance experience."
R. N. (Iowa)*
- ★ "My renewal commission check last month was \$833.00—Complete Coverage package selling is a winner."
L. K. (Kansas)*

You May Enjoy these FIVE Advantages with our Company:

1. You can offer something new and different—a unique COMPLETE COVERAGE PACKAGE of insurance—life, accident, health, hospitalization.
2. You are allowed the use of our highly productive, copyrighted Miracle Lead system.
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4. You will be associated with success. In addition to liberal profits on new business, you can build up a substantial income from renewals to enable you to be financially independent in fewer years than you may think.
5. You may be given the opportunity to have a general agency franchise in a protected territory.

You'll be thanking your lucky stars if you write us immediately to learn about our intriguing plan and available general agencies. ALL CORRESPONDENCE CONFIDENTIAL!

*Names furnished on request.

Hugh D. Hart, Vice-President and Director of Agencies

Illinois Bankers Life Assurance Co.

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LIFE COMPANY COMPTROLLER WANTED

A growing Eastern Life Company approaching 100 million in size has an opening for a man about 35 years of age with life insurance accounting experience to head its accounting department. Excellent opportunity for an able ambitious young man. Write fully in first letter giving qualifications and experience. Address P-27, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Differences Lessened on Mass Selling

(CONTINUED FROM PAGE 1)

plan. Another important change is that dealing with "trade associations." The bill provides that 75% employer members must agree to come under the plan on an employer-pay-all basis—excluding employers who already have group insurance from the computation of the 76%.

In summing up, Mr. Coffin said "we must find and use every means possible to extend to the public the benefits of life insurance, and we must make sure that the public has the benefit of the advice and counsel of the agent wherever possible. The objective is to get insurance much more broadly distributed and there should be more rather than less emphasis on the services of the agent."

"We should attempt to be objective on the subject," he said. "The basic premises are not really seriously in conflict, between agents and companies, and can be resolved."

History of Higher Maximums

During the discussion, Osborne Betha, Penn Mutual, New York City, asked Mr. Whittaker if the history of "maximum amounts" of group didn't show that they keep on growing larger.

Yes, Mr. Whittaker replied, and cited several instances in which companies had hiked the top limit in response to larger limits by other companies. That is one reason for getting the commissioners definition into state law, he declared.

Mr. Hobbs said that this trumping back and forth is one of the problems in group. His admission that sometimes the pressure to get the maximum increased is from the field drew a good natured laugh from the audience.

David B. Fluegelman, Northwestern Mutual, New York City, said some of the large group cases are written from the home office without payment of a commission.

"This is not true in Prudential," Mr. Whittaker declared, and Mr. Coffin said he thought that would hold for all reputable companies.

Wants Commission for Converting

Commenting on the figure of 2% for those who convert group, Ed Rosenbaum, Mutual Benefit, Brooklyn, said most companies don't pay for conversion. Consequently the certificate holder who seeks it often is uninsurable. Why not pay regular commission for converting? Mr. Rosenbaum wondered. A 10% commission is not enough to attract agents' efforts. The group certificate holder often doesn't understand his rights.

Group certificate holders provide agents with an exceptionally good prospect list for ordinary sales, Mr. Whittaker said. A company shouldn't pay commissions on uninsurable lives. As to those who seek to convert too late in life, it must be kept in mind that insured isn't going to get as much for \$10 under group as he does for \$30 under ordinary insurance.

What about group permanent? Mr. Whittaker was asked. This type of coverage won't be a major factor, he said, until the tax problem is straightened up. He thinks there shortly will be a ruling that such policies are taxable to the employee. The cost to the employer is so heavy it is not going over as, several years ago, it was expected to.

The possibility of one or several companies writing group on a group already insured by another company was briskly debated with differences of opinion as to whether it can be done legally. Mr. Rutherford said a change has been recommended in the commissioners' definition which will prevent group-on-group. He asked Mr. Whittaker if the company ascertains

group holdings when it writes a group policy. No, Mr. Whittaker said; it would be a tremendous job to find out.

In response to a question from Mr. Rutherford, Mr. Whittaker said Prudential's experience with automobile sales dealers' groups has been very good. State auto dealer associations do a lot of things for their members; consequently, they can provide the service that a group plan of this kind needs. Even so, the plan has to be simple. Prudential is getting 9 to 20 lives per dealer. Most are small dealers because the larger ones have their own plans, which Prudential has sought not to disturb.

Other Program Features

While the mass selling session was the outstanding feature, the conference offered a blue chip program throughout. There was a cocktail party Friday evening. Saturday morning's program featured Horace S. Thomas, assistant sales manager of Eastman Kodak Co., on "Trends in Industrial Merchandising"; James A. McLain, president of Guardian Life, on "Modern Trends in Life Insurance Merchandising," and Glenn Griswold, editor of Public Relations News, and Roger Hull, vice-president of Mutual Life, on "Trends in Public Relations."

Mr. Fluegelman, president of the state association, opened the meeting and paid deserved tribute to Ralph E. Engelman, Penn Mutual, New York City, who originated the conferences in 1940. He then turned the gavel over to George P. Shoemaker, Provident Mutual, New York City, conference chairman.

"THE THREE APOSTLES"

Roger Hull, vice-president and manager of agencies of Mutual Life told how the "three apostles of public relations" in life insurance—the agent, manager and home office—can work to improve public acceptance of life insurance.

The agent, Mr. Hull said, should review constantly his means of keeping in touch with the public, asking himself whether his telephone manners are all they should be; whether his letters are cordial, human and simple, avoiding "cold" technical phrases that people do not understand; whether he is prompt in accommodating requests for information from policyholders; whether he is prompt in following up by mail or personal call inquiries received through advertising and sales promotion.

Because the producer is constantly in direct contact with the public he can find out what criticisms of the company and the industry exist, he can change his methods to meet the criticisms, and he can tell the new story to the public.

What Managers Can Do

The manager, Mr. Hull said, should see that his most competent agents are made acquainted with substantial people in the community; see that his agents become active participants in civic organizations; provide sound public relations ideas that his agents can use; assist his men in laying out a regular program of sales promotion and local advertising; keep his agents informed of every company action and interpret for them the reasons behind the action; impress on his office force, through training sessions, the importance of each office worker in creating public good will through the courteous, prompt, intelligent and complete servicing of policyholders who write or call in person on the office; make constructive and tactful criticisms as to the manners, appearance and speech of the agent; and train the agent in good letter-writing by regular review of his correspondence with policyholders and the public.

The home office, Mr. Hull said, that no matter how much is done in the

field by agents and managers to create good will, he said, these efforts "can be completely defeated if the company continues operating procedures which are irritating and disturbing to the public." Meeting the preferences of policyholders and the public through adjustments of operations and procedures in accordance with sound business practices is a continuing and tremendously important process," Mr. Hull said.

Phila. C.L.U. Activities

Donald B. Woodward, 2d vice-president of Mutual Life, will speak March 11 at a luncheon meeting of the Philadelphia C.L.U. chapter. He will discuss current trends in life insurance marketing.

An underwriting clinic will be held

April 15, with Milton Elrod, tax and estate planning expert, in charge.

J. A. Kelly Advanced

Columbian National Life has elected J. A. Kelly, home office counsel, as second vice-president. He joined the company in 1936.

Mr. Kelly graduated from Bates College in 1933. In 1936 he received his law degree at Boston University, was admitted to the Massachusetts bar, and became associate to Columbian National's general counsel. He was a wartime naval officer.

Arthur J. Hamm, Topeka general agent of Farmers & Bankers, has been awarded a Caribbean cruise as one of the company's leading producers.

YOUR CHOICE Of the following PREFERRED RISK POLICIES

ORDINARY LIFE
20 PAYMENT LIFE
ENDOWMENT AT 65
LIFE PAID UP AT 65
Minimum Amounts \$2,500

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General Agency Openings in
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RELIANCE MUTUAL LIFE INSURANCE COMPANY

of Illinois

NORMAN B. ANDERSON, Supt. of Agents
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An Old Line Legal Reserve Company



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WASHINGTON, D.C.
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SUN LIFE ASSURANCE COMPANY OF CANADA

Established 1865

Emerson Kalamazoo General Agent, Bryant Retires

Ralph W. Emerson, assistant director of agencies of Northwestern Mutual



R. W. Emerson



W. R. Bryant

Life, has been appointed general agent at Kalamazoo, Mich., effective April 1, succeeding W. Roy Bryant, who is retiring as general agent after 21 years in southwestern Michigan territory. Mr. Bryant will remain as a member of the agency.

Mr. Emerson joined Northwestern Mutual in 1927 as a part-time agent while attending University of Kansas. Upon graduation in 1929 he began full-time selling in Kansas City, Kan., and later was district agent there. He was agency supervisor for the Kansas agency and later for the St. Louis agency of Northwestern.

One of Early C.L.U.s

Mr. Emerson became a C.L.U. in 1932 and won the company's gold button award. He holds the certificate of agency management of American College and is a graduate of the L.I.A.M.A. school in agency management. Except for time as an officer in the navy during the war, he has been assistant director

of agencies Northwestern Mutual since 1939.

Starting with the Northwestern Mutual 31 years ago at Normal, Ill., Mr. Bryant became a successful producer. In addition to management duties he has personally produced over \$4 million. He was made district agent at Joliet in 1918 general agent at Kalamazoo in 1927. The agency, covering 14 counties, finished 1947 with the largest production in its 76-year history. Under Mr. Bryant's tenure, it also attained a new high of more than \$42 million in force.

Mass. Mutual Advances Christmas, McQueen, Hartley

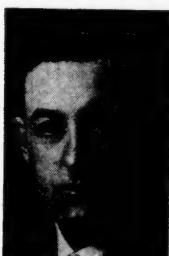
Massachusetts Mutual Life has appointed W. R. Christmas assistant actuary, and C. D. McQueen and J. R. Hartley agency assistants.

Mr. Christmas entered life insurance in 1929 with Sun Life of Canada after graduating from McGill University with first class honors in mathematics. He is a fellow of both actuarial bodies. For the last two years he has been assistant actuary of Monarch Life. He was a Canadian naval officer in the war.

Mr. McQueen joined Massachusetts Mutual's auditing department in 1931, and was transferred to the agency department in 1938. As a naval officer he participated in landings in the Pacific. He attended Springfield Junior College and received his business administration



C. G. McQueen



J. R. Hartley

degree from Northeastern University. He is treasurer of the Springfield reserve naval officers group and a member of Pi Tau Kappa Fraternity.

Mr. Hartley entered life insurance in 1939 as an agent of Penn Mutual in Seattle, later becoming an agency supervisor for Acacia Mutual. He was a wartime naval officer. He graduated from Carleton College, Minnesota, and attended University of Michigan law school. He joined Massachusetts Mutual in 1945, as an assistant to General Agent F. T. McNally of Minneapolis. He sold more than \$650,000 of business in 1947.

Bankers of Iowa Appoints Steen at Philadelphia

W. J. Steen is now manager of the Philadelphia agency of the Bankers Life of Iowa. He succeeds C. J. Pearson who has returned to personal production.

Mr. Steen joined the agency in 1945 upon leaving the navy.

A native of Philadelphia, Mr. Steen graduated from Drexel Institute and has a master's degree from the University of Pennsylvania. He was high school coach at Riverside, N. J., and then supervising principal of elementary schools there.

Great Northwest Ups Two

Great Northwest Life of Spokane has elected William P. Weaver vice-president and J. O. Challenger secretary.

Mr. Weaver is a graduate of the com-

merce school of University of Pennsylvania. In 1944 he was elected treasurer of Great Northwest and in 1946 secretary-treasurer.

Mr. Challenger is a graduate of McGill University and a fellow of the actuarial organizations. For 23 years he was with Sun Life of Canada. He has been actuary of Great Northwest about a year.

Stuart St. Louis Speaker

W. Stanley Stuart, a general agent in St. Louis of General American Life, told the St. Louis Accident & Health Underwriters Assn. of how in a 25-day period last September he wrote 103 applications for accident and health insurance, his personal earnings being \$8.16 for each sale closed. On the basis that the average accident and health policy renews for a period of four years, his actual overall earnings were \$40.80

for each case closed.

Rolf R. Noll, Mutual Benefit H. & A., president Kansas City Association, was a guest and spoke briefly.

H. C. Pogue, manager of the home office group department of Business Men's Assurance, spoke.

Named by Gen'l American

C. E. Seley has been appointed general agent in Junction City, Kan., for the General American Life. He has been selling life insurance for the past two years and before that operated a restaurant.

St. Louis Assn. Near 500

The St. Louis Assn. of Life Underwriters is approaching the 500 membership mark. Joseph T. Peterson, Guardian Life, reported at the February meeting that it had 467 members.



1867
1948

On January 25, 1867, the Equitable Life of Iowa was founded in Des Moines, then a frontier town of 8,000 people.

The 81 intervening years have witnessed the development of that pioneer enterprise into a national institution. In contemplating the completion of its first century of service, the Company will continue to conduct its affairs in the sound, constructive and progressive manner which Time has so thoroughly tested.

EQUITABLE
LIFE of IOWA

Founded in 1867 in Des Moines



We are
Growing



AND SPREADING OUT—

As a result of the progress Postal Life & Casualty has made, we can offer real opportunities for men who are looking for a chance to develop their own agencies.

POSTAL LIFE & CASUALTY
INSURANCE COMPANY

4727 WYANDOTTE STREET

KANSAS CITY 2, MISSOURI

Service

The institutions of Life and Accident and Health insurance are primarily ones of sales and service. We are building on that ideal with "Service" as our watchword.

Our Life and Accident and Health policies are salable and provide maximum coverage and protection to policy owners. Liberal agency commission contracts enable field representatives to build for the future.

We place a high value on human relationships as well as service.

WISCONSIN NATIONAL
LIFE INSURANCE COMPANY
Oshkosh, Wisconsin

LEGAL RESERVE FRATERNALS

Maccabees Gives Figures; Plans Field Rallies

Maccabees in 1947 piled up total insurance in force of \$286,027,257. Total assets were \$74,546,561. Non-assigned surplus amounted to \$5,937,542.

The society issued 29,537 new certificates for \$40,298,469 new business. Membership has risen to approximately 290,000, including junior and adult insurance on members in the 43 states, District of Columbia and Canada in which the fraternal operates.

Total benefits paid in the year were \$5,610,626. Included are relief benefits and the cost of operating three fraternal homes, including one for elderly men and women at Chatham, Pa., and another for men and women at Portland, Ore. A home for elderly women is maintained at Alma, Mich.

Legal reserve maintained totals \$62,784,160. Maccabees has in force both American Experience and American Men table business with interest assumption of 3%.

Maccabees is initiating a new business campaign for the first half year in celebration of the 70th anniversary. At its conclusion regional conferences will be held throughout the United States, the first at Knoxville, Tenn., July 22-23. Next will be an eastern di-

vision conference at Atlantic City, July 26-27. A central divisional conference will be held at Cedar Point, O., July 30-31. Denver will be the scene for the west central district conference August 4-5, and Portland, Ore., Aug. 9-10.

Royal Neighbors Gains in 1947 Are Reported

Royal Neighbors, Rock Island, Ill., society, reports admitted assets \$119,694,148, increase \$4,313,794 or 3.74%, of which cash was \$1,985,401, 1.66%; U. S. government bonds \$28,524,253, 23.83%; state and municipal bonds \$56,518,732, 47.22%. Net interest rate earned in 1947 was 3.21%.

Insurance in force gained \$7,712,798 to a total of \$378,785,970, of which \$307,096,048 was adult and \$71,689,922 juvenile. New paid for insurance was \$26,181,400, gain \$2,511,467. This is the 10th consecutive year insurance written has increased. New business consisted of \$11,900,750 adult and \$14,280,650 juvenile insurance.

Certificate reserves, all computed at 3%, aggregated \$100,641,980, increase \$3,262,285. Contingent reserves for fluctuations of interest and mortality amounted to \$12,177,435, increase \$994,433; unassigned funds \$2,631,323. Income amounted to \$12,629,624, increase \$189,-

259. Mortality on gross amount at risk was 50.04% of expected.

Death claims and payments to members increased \$519,475 to a total of \$5,839,928, including adult death claims \$4,032,193 and juvenile death claims \$29,075.

Fidelity Totals for 1947 Set All-Time Record

Fidelity Life of Fulton, Ill., has completed its most successful year, with gains all along the line. Insurance in force was \$58,782,800, net gain \$1,504,588. Assets were \$14,885,493, increase \$551,430. Paid-for business in 1947 amounted to \$5,158,850, 13.2% gain over 1946.

Agents in their first year with Fidelity wrote \$2,033,350 new life insurance, and there was substantial gain in average size of new policy. Mortality ratio was 56.1%, down from 59.7%.

Cash payments to policyowners, and beneficiaries amounted to \$889,805. Net interest return was 3.33%, the same as in 1946. There was not a single default in mortgage investments.

P. H. C. 1948 Refund

Protected Home Circle is setting aside for the 1948 refund schedule on certificates the same total amount as paid in 1947, approximately \$125,000. Refunds will be based on mortality savings, interest earnings, and expense fund savings, producing variations by plan, amount of insurance and age at entry. They will be paid on certificates which are two years or more in force and in good standing on their anniversaries.

COMPANY MEN

Brown "App" Chief; Cornell Retires

Edgar G. Brown has been appointed supervisor of applications and John M. Huebner associate supervisor for Penn Mutual.

Charles V. Cornell, 2nd vice-president and supervisor of applications underwriting department, retired as of March 1. He joined Penn Mutual in 1901 in the department of applications and death claims, predecessor of the present underwriting department, and thus has been 47 years with the company. He has been chairman of the program committee of Home Office Life Underwriters Assn. He is treasurer of Presbyterian Church at Newton, Pa.

A dinner in honor of Mr. Cornell was given by 79 members of the underwriting department and he was presented with a portable radio.

Mr. Brown has been with Penn Mutual and in the underwriting department since 1901. He has been, successively, registrar, assistant supervisor of applications, associate supervisor.

Mr. Huebner is a graduate of University of Pennsylvania commerce school and law school. Admitted to the Philadelphia Bar in 1935 he joined the law department of Penn Mutual. During the war he served in the navy.

He is the son of Dr. Solomon S. Huebner, president of American College of Life Underwriters.

Hancock Promotes Dalzell, Gunn, Other Debit Officials

Arthur H. Dalzell, manager of field training for John Hancock, has been appointed coordinator of sales promotion for that company. He is succeeded at the home office by Edwin P. Gunn, regional manager at Chicago. Richard E. Empie, regional supervisor at Chicago, succeeds Mr. Gunn, and Clarence E. Dueber, assistant district manager in south St. Louis, becomes regional supervisor.

Philip F. Mulvey, district supervisor

at Worcester, has been named regional supervisor in northern New England to succeed Paul E. Egan, who is now regional manager there.

Mr. Gunn has been with the company 18 years starting at Quincy, Mass., and becoming regional supervisor of northern New England before his appointment at Chicago. Mr. Empie started at Saratoga Springs, N. Y., 13 years ago, and in 1937 became assistant manager in Schenectady. He was sent to Chicago in 1941 as supervisor of field training and later became field supervisor.

Mr. Dueber has been with the company 12 years at South St. Louis where he has been assistant manager for eight years.

Gale Johnston a Director

Gale F. Johnston, president of Mercantile-Commerce Bank & Trust Co., St. Louis, has been elected a director of Metropolitan Life. He started with Metropolitan 23 years ago as a salesman, was promoted to divisional sales manager in charge of 10 southwestern states in 1928 and to regional manager in 1939. He was given leave of absence in 1941 to plan and organize mass selling of defense savings bonds. Late that year he was elected vice-president of Metropolitan in charge of group insurance sales, resigning in 1947 to head the St. Louis bank.

Employees Honor Sweeney

Employees of State Life of Indianapolis, honored Robert E. Sweeney, president, at a buffet luncheon to open the 25th annual Sweeney Month campaign. Mr. Sweeney observes his 45th anniversary with the company in March.

Management Council Named

The agency management council for 1948 of Midwest Life consists of Howard F. Lyons and J. H. Eades, Colorado; C. R. Logan and C. E. Isenhour, Nebraska, and E. C. Dopps, Iowa. They were selected on the basis of new business from sub-agents in 1947.

The New York City C.L.U. chapter has changed the date of the March luncheon meeting from the 18th to the 16th.

PIONEER MUTUAL LIFE INSURANCE COMPANY

(Formerly A. O. U. W.)

HOME OFFICE—
FARGO, NO. DAK.

Ancestry of the Pioneer Mutual dates back to the covered wagon days

A complete line of life insurance contracts issued on the C.S.O. table of mortality, 2 1/2% interest assumption

Non-cancellable health and accident contracts written on male lives ages 15 to 50

Excellent openings for State Managers in South Dakota, Oregon and Idaho

Agency openings in North Dakota, Montana, Wyoming, South Dakota, Oregon and Idaho

THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892

A Legal Reserve Fraternal Benefit Society
Bina West Miller
Supreme President
Frances D. Partridge
Supreme Secretary
Port Huron, Michigan

New Men

Accounted For 1/3 of Our '47 Sales



Naturally, an institution that is 52 years old has chalked up some mighty interesting records. We believe our "new men" record for 1947 is one of the best, since 1/3 of our total 1947 sales was due to men in their first year with Fidelity. This is a striking tribute to the F.L.A. recruiting, induction and training program, which has been getting better results each year, reaching a new high peak last year. The entire program is down in black and white. Details granted on request without obligation to you.

FIDELITY LIFE ASSOCIATION

Home Office Fulton, Illinois • Founded 1896.

PROTECTED HOME CIRCLE

SHARON, PA.

FOUNDED IN 1886

A Legal Reserve Fraternal Insurance Society

S. H. HADLEY, Supreme President L. D. LININGER, Supreme Secretary
SHARON, PA.

Mass Selling Pros and Cons Aired

(CONTINUED FROM PAGE 4)

the group field force is at least as easy a way of making a dollar off the Prudential as writing \$50,000 of ordinary.

Mr. Whitaker noted that Prudential sells nine types of group coverage as part of welfare programs excluding group annuities and group creditors. "When you look at these complete welfare programs we are selling, you can readily understand how it is that group insurance has become so popular with the American public in recent years and how it is that labor unions are pressing for some form of welfare program in their collective bargaining," he said.

Selling Welfare Programs

He emphasized that the group companies are not selling just group life insurance, they are selling welfare programs. Life coverage is only a part of the total program, but the companies would look silly if, because of restrictive practices, they were unable to offer life with the other coverages. "We are selling welfare programs, and it is a good thing we are, because if we don't sell them through private industry it is almost certain that the federal government will do it for us."

America is the only large industrial country that has no form of compulsory health insurance at the national level, he observed. Repeated attempts have been made in Washington and at the state level to put in various forms of health insurance, and the only way in which legislation can be averted is to prove that private companies are doing a good job. Total premium income received from group life and group A. & H. by Prudential was 94% greater in 1947 than 1942. Every effort should be made to provide welfare programs to employees which can be underwritten in a satisfactory way.

The tremendous increase in group life volume has been due to the interest in welfare programs by labor unions and by employers. Union leaders have to try to get the same benefits for all members of their locals. Members of a local are generally employees of a great number of employers, many of whom are too small to buy group policies of their own because of state restrictions which call for a minimum of 50 or 25 lives.

Think of Self-Insurance First

Usually in the larger cases union leaders set up a certain standard of benefits and tell the employer that so long as he puts in these benefits he can do it any way he pleases. The other method is for all employers whose employees are members of the local to contribute a certain percentage of union wages to a trust fund. The trustees are responsible for buying benefits. Mr. Whitaker added that the important point is that nearly every trust deed permits the fund to self-insure.

The first inclination of the trustees of every fund is to self-insure, and it is poor statesmanship on the part of the insurance industry to make it difficult or impossible for them to buy private insurance and thus drive them into self-insurance.

The principal difficulty is how to cover the employees of small employers. The Taft-Hartley act provides that no employer can pay money into a trust fund

for welfare benefits unless benefits are available to all employees within the unit. In the open shop, of course, a great many employees do not belong to the union. It is impossible to cover non-union members under a union policy, and if companies do not permit trusteeship plans to cover all in the bargaining unit every open shop case is going to be driven into self-insurance, Mr. Whitaker warned. This would be aiding and abetting in the formation of fairly small self-insured funds, many of which would inevitably encounter financial difficulty and go on the rocks. "If there is one sure way of inviting the government to step in and take a hand in running the insurance business, this is certainly it."

The group committee of Life Insurance Assn. of America had this in mind when it drafted the proposal for a standard group definition. However, the recent tenor of various underwriters' resolution and speeches by officers of the N.A.L.U. has been that this definition should be changed, with particular respect to section 4, the trusteeship provision.

The definition states that no policy of group life shall be delivered unless it conforms to one of the following four descriptions: (1) employer-employee; (2) creditors; (3) unions; (4) trusteeships.

The first includes policies issued to an employer covering his employees. This section has been under attack because it provides for a maximum amount of group of \$20,000, which some think is too high. Mr. Whitaker said if \$20,000 was a satisfactory top 20 years ago, with the depreciation of the dollar, \$20,000 obviously is not nearly as much now as it was then.

The other point on which this section has been criticized is the provision that a group policy may include employees of affiliated corporations if the business of the employer and such affiliated corporations, proprietor or partners is under common control through stock ownership, contract or otherwise.

This was put in, he explained, to take care of some groups where the legal employer-employee relationship does not exist but where the underwriting is just as satisfactory as if it did. An example of this is full-time agents of Prudential ordinary agencies not subject to unemployment or social security taxes. If the group definition were limited to a strict interpretation of employer-employee relationship, it would be impossible for the company to provide group welfare programs for these agents.

"Or Otherwise"

Considering the "or otherwise," Mr. Whitaker remarked that Prudential covers agents of other insurance companies operating under the general agency system. The soliciting agent has a contract with the general agent, who in turn has a contract with the company. Yet these groups, which are written under policies issued directly to the insurance companies, operate in a very satisfactory way and there is no greater underwriting hazard in insuring the agents of a general agency company than there is in insuring Prudential agents.

Section 2 of the definition covers group creditors insurance which has met with no opposition except as regards the

maximum and the writing of group insurance. This section has a \$5,000 maximum which should effectively prevent the writing of group mortgage—which Prudential has discontinued, he added.

Group creditors also covers short-term loans from banks and finance companies. The maximum period of loan has generally been three years and the average amount of insurance outstanding is still less than \$300. Even in connection with finance companies specializing in automobile loans, the average claim is only \$800, Mr. Whitaker noted.

Although Prudential has not a great deal of this business on the books, it covers 800,000 lives who get a statement regarding the insurance from the banks and finance companies, a very good method of bringing the value of life insurance before the public.

Tells Aim of Group Committee

The third section concerns labor unions, and not much objection has been raised in any quarter to this section.

The much disputed section 4 provides that policies may be issued to trustees of a fund established by two or more employers in the same industry or by two or more labor unions. This covers cases where a labor situation is involved and where the object is to bring benefits of group insurance to the employees of small employers. Mr. Whitaker cited two cases under this type of plan, the New York city hotel industry and the Shoe Board of Trade. In this case the employers had agreed with the unions to provide certain welfare benefits on a non-contributory basis, but they also wished to include the non-union workers. A single trusteeship was, therefore, set up with employers' trustees covering both union and white collar workers.

Covers Four Types

The total union trades council case covers union members only and is directly due to collective bargaining. The Shoe Board of Trade case covers union members where collective bargaining is in effect, together with non-union members. Another total fund covers white collar workers together with members eligible for the union. Still another total fund covers non-union members only but was indirectly put in effect because of collective bargaining with union members. "It, therefore, seems essential in considering any group definition to permit trusteeships set up by employers to cover their employees whether or not they are directly effected by collective bargaining," he said.

The other type of trusteeship covers the state automotive trade associations, the Insurance Brokers Assn. of New York, etc. Mr. Whitaker remarked that many underwriters do not have clearly in mind the point of section 4, namely, that these policies may only be issued where the entire premium is paid by the employer.

From the social angle it is just as desirable to provide group insurance for the employees of small employers as for employees of large employers, he declared. The only question is how can it be done consistent with sound underwriting?

In the trusteeships of this type that Prudential has written, the company has insisted on a minimum number to be covered. Since employers pay all the premiums and a large number of employees are covered, mortality experience has been favorable. Usually the maximum amount of insurance is \$5,000. Most of the business is on automotive trade associations which have a strong control over their members and are very well equipped to handle collections.

Individuals Not Good Risks

Mr. Whitaker said he believes that all associations covering individuals are undesirable from the underwriting standpoint, and will continue to be unsound. It is only where the employer-employee relationship exists and the primary object is to cover employees of small employers at the employer's ex-

pense that this business represents satisfactory underwriting.

The average premium for the life insurance feature in these plans is considerably less than half the total premium per life. In the case of trusteeships this money is being paid by the employer, and that frees the employee from having to set aside money for the other forms of health and accident insurance. It would seem obvious, he declared, that the employee is a better prospect for the sale of individual life insurance than he was before. He has tasted the pleasure of obtaining insurance and has more free money with which to purchase it. Then, in addition, there is a method whereby the uninsurable employees of small employers can obtain life insurance.

Mr. Whitaker emphasized his belief that group insurance does not deprive agents of a market for individual policies. It is far easier to set up a satisfactory program if the prospect has group, especially when it is paid for by his employer. Group could then be used for the clean-up fund and to cover the family needs for the period of adjustment. This makes it possible for ordinary to provide continuing income.

"Group insurance can never represent a complete insurance program," he said. "Everyone should have individual policies. This particularly applies to a young married man with children who generally cannot finance the amount of insurance he needs unless his ordinary is supplemented with group. I would like to see every employee covered by group equal to one year's salary."

Charles G. Smither, Union Central Life, has been declared the city's outstanding young man of 1947 by the New Orleans Junior Chamber of Commerce. He was presented a gold key for distinguished community service. Mr. Smither is a member of the general agency firm of James W. Smither & Sons.

Established 1905



**POSTAL
LIFE INSURANCE
COMPANY**

of
New York

is issuing all forms of Life Insurance—standard and substandard.

We are now in a position to accept business from Brokers and Licensed Agents. Several openings are available on the Company's Agency Staff. Direct Correspondence to

Agency Department
POSTAL LIFE INSURANCE COMPANY
511 Fifth Avenue
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This ad has not appeared before

AGENCY EXECUTIVE

Progressive eastern company facing forward wants top agency executive.

Standing of company, past success, agency development and prospects make this a most unusual opportunity for man with vision, ability and willingness to work.

Please give record of education and experience in letter which will be held confidential, of course.

Address P-28, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois

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 THE BOURSE PHILADELPHIA

Family Security Courses Planned for High Schools

An educational program to teach the principles of family security in secondary schools, in cooperation with Institute of Life Insurance was announced at the annual convention of the American Assn. of School Administrators.

The plans are in keeping with a resolution passed at last year's meeting of the administrators calling on schools to give more thorough preparation for family and home life.

Life insurance figures engaged in the preliminary work on this program are: David McCahan, University of Pennsylvania, and John A. Stevenson, president of Penn Mutual. Educators have been working on the plan with Holgar J. Johnson, president of the Institute of Life Insurance, and R. Wilfred Kelsey, director of the educational division.

Study Curriculum This Spring

The first step in the program is to be undertaken this spring, when a curriculum study will be made to determine what secondary schools are now teaching in the area of family security. Later plans call for a suggested curriculum outline for units on family security, setting up a pattern for schools to follow in developing courses; establishment of a summer school course at some recognized university school of education to cover six weeks of intensive training with scholarships contemplated for outstanding teachers in various sections of the country; cooperation with local school boards in setting up two or three day teacher training workshops for those who will be responsible for teaching family security. It is also planned to prepare supplementary teaching materials, including short texts, booklets, charts, slide films, and motion pictures.

The program will be developed over a period of years and the general aim will be to teach young people how to use the various methods at their disposal for building financial security, the proper relationship of each medium to the others and the social and economic significance of each. Studies will cover social security, life insurance, general insurance, savings programs, pension plans, investments and home ownership.

In announcing the program, Dr. Herold C. Hunt, Chicago school superintendent cited precedent for the work including the program of safety education in the schools and his own program for teaching life insurance and social security in the Kansas City high schools, developed in cooperation with the Kansas City Life Underwriters Assn. while he was superintendent of schools there.

Wis. Fraternalists Hold Annual Congress

The Wisconsin Fraternal Congress at its annual meeting in Milwaukee Saturday heard talks by W. Cable Jackson, superintendent of agents Modern Woodmen, Rock Island, Ill., on "Future of Fraternal Field Work"; Sen. Gordon A. Bubolz, president Home Mutuals, Appleton, Wis., on "Conservation of Human Resources and Its Relation to Life Insurance"; and Irene Bird, editor "Fraternal Field," on "Publicity."

LeRoy G. Stohman, Aid Assn. for Lutherans, Appleton, as president, was in the chair and M. L. Ridgeway, Equitable Reserve, Neenah, vice-president, was on hand.

Mrs. Irma Cox, vice-president Milwaukee Assn. of Life Underwriters, extended welcome. S. A. Oscar, president National Mutual Benefit, Madison, reported as chairman on legislation and Fred A. Johnson, head of Royal League, Chicago, on Fredonia school property.

Kellmeyer Is Promoted

Fred N. Kellmeyer has been appointed territorial manager of the Kenneth W. Conrey agency of Penn Mutual at Pitts-

burgh. He has been with the company since 1939, is a consistent qualifier by both volume and lives. During the past three years he has directed the Wheeling unit of the agency. The territorial unit embraces all of the Pittsburgh territory outside of Allegheny county and Erie.

Mass. Mutual Names D. J. Lizotte at Lawrence, Mass.

Massachusetts Mutual Life has appointed D. J. Lizotte as general agent

at Lawrence, Mass., succeeding the late William H. Jaquith, 2nd. Mr. Lizotte entered life insurance with Boston Mutual, later joining Prudential as an agent in Northampton, Mass. After returning from service overseas as an air force pilot, he rejoined Prudential and later was appointed district agent for Mutual Trust Life at Northampton, becoming eastern division field supervisor in 1947. Since January, 1948, he has been in agency department work with Massachusetts Mutual. He graduated from Bay Path Institute and while in the army attended West Texas State Teachers College.



D. J. Lizotte

Todd Agency Conference Hears N. W. Mutual Officials

Three home office officials of Northwestern Mutual Life spoke at the annual agency conference and banquet of the John O. Todd agency of Chicago in Edgewater Beach hotel. These were Philip K. Robinson, executive vice-president; L. J. Evans, assistant director of agencies, and Dr. G. F. Tegtmeyer of the medical department.

Mr. Robinson spoke in the business session on "The Northwestern as a Leader," Mr. Evans on "Make the Mail Man Do It," and Dr. Tegtmeyer on "The Doctor Looks at the Prospect."

Other speakers and subjects in the afternoon were: Francis W. Morley, "Who Holds the Deed?"; John P. McDonald, "Security for the Northwestern Agent"; Roger S. Vail, Jr., of H. S. Vail & Sons, Chicago, "Fives and Tens."

A cocktail hour followed and then dinner with Hal Nutt of the agency staff as toastmaster. Mr. Todd and Mr. Robinson spoke. Leaders were introduced and Mr. Todd announced Malcolm S. Vail was operated on a few days ago in Presbyterian hospital but is expected out shortly. He was second in volume in the agency last year, being exceeded only by C. W. DeGryse, who paid for a million in his first year in the life business.

Luther E. Allen's completion of 25 years as general agent of Northwestern Mutual Life in Atlanta was celebrated at a luncheon given for him by his associates. They presented to him and Mrs. Allen a sterling silver pitcher and six goblets. He also received a leather bound book with letters of congratulation. The agency put on a business drive in February. Mr. Allen has been with Northwestern Mutual all his business life, starting in Woodstock, Ill., in 1905. He is a past president of the Atlanta Life Underwriters' Association. Harold Gardiner, educational director, brought greetings of the home office. Open house was sponsored in Mr. Allen's honor by the Atlanta General Agents' and Managers' Club and many of his friends called on him on March 1, the anniversary date.

OK Bill Easing Cost Curbs

The bill in the New York legislature liberalizing to some extent the limitation on expenses of life companies has been reported out of the assembly insurance committee.

Annual Statement Figures for Four Companies Shown

NEW YORK LIFE

New York Life carried \$9,063,604,614 in force under 3,683,297 ordinary policies. Assets totaled \$4,234,184,598, an increase of \$207,495,318. Surplus funds were \$231,118,724.

Provision for 1948 dividends to policyholders is \$37,151,312 as compared with \$41,730,229 for 1947. The amount was affected by low yields from prime investments and increased expenses as well as by reserve strengthening.

Sales of new insurance in 1947 totalled \$857,384,000. Family income policies paid for in 1947 were reported on a higher basis than in previous years. On a corresponding basis, sales were 2.5% less than in 1946.

Payment to policyholders and beneficiaries aggregated \$196,798,797. Living policyholders received \$115,716,396 and beneficiaries \$81,082,401.

NORTH AMERICAN REASSURANCE

North American Reassurance had \$329,877,900 in force at Dec. 31, as against \$284,721,300 a year earlier.

Assets are \$28,386,049 and surplus to policyholders is \$6,322,447. Investments include \$23,035,723 in U.S. governments, \$2,042,804 in utility bonds, \$963,225 in rail bonds, and \$509,656 in Canadian governments. Stocks, all in the preferred category, are \$634,000.

PACIFIC MUTUAL LIFE

Pacific Mutual reports its best year with \$122,162,942 paid for in 1947, an increase of 4.5% over the previous year. In force was \$846,419,794. A. & H. premiums were 17% in excess of the 1946 figure.

PACIFIC NATIONAL LIFE

Pacific National Life of Salt Lake City has issued its new annual statement showing assets of \$7,751,599, policy reserves \$6,263,151, capital \$647,250 and net surplus \$304,670.

The company scored a 10% gain in insurance in force last year. It operates in 10 western states and now maintains 25 general agencies.

Aetna Kan. Agency Moving

The Kansas agency office of Aetna Life will be moved from Topeka to Wichita March 29. Offices will be in the Orpheum building. Topeka will remain as a branch office in charge of J. R. McClung. V. B. Askew will be in charge of the Wichita office.

THE UNITY LIFE & ACCIDENT INSURANCE ASSOCIATION

*Insures
The Whole Family*

Unity agents are equipped to serve every need for personal insurance. Juvenile policies our specialty.

E. E. DEMING President L. J. SATLEY Secretary
 HOME OFFICE—SYRACUSE, N. Y.

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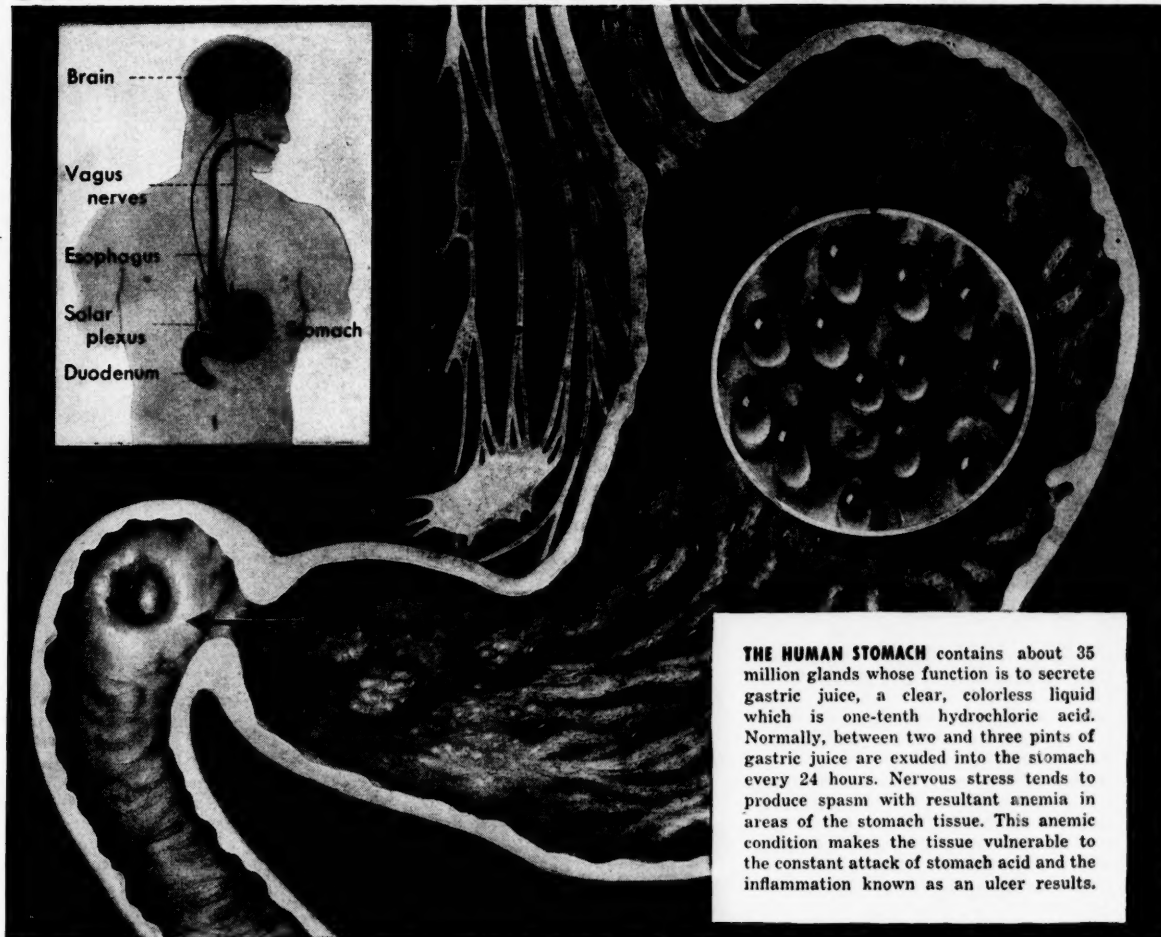
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secretary

, N. Y.

GERIATRICS: HELPING OLDER PEOPLE ENJOY LIFE LONGER



THE HUMAN STOMACH contains about 35 million glands whose function is to secrete gastric juice, a clear, colorless liquid which is one-tenth hydrochloric acid. Normally, between two and three pints of gastric juice are exuded into the stomach every 24 hours. Nervous stress tends to produce spasm with resultant anemia in areas of the stomach tissue. This anemic condition makes the tissue vulnerable to the constant attack of stomach acid and the inflammation known as an ulcer results.

Semi-schematic drawing by Jean E. Hirsch

Longer life for people past 40

About one in every ten Americans now living will at some time have an ulcer. In most cases the ulcer will be of the duodenal type, illustrated above; the gastric ulcer is less common.

Once stubbornly resistant to treatment and a serious threat to health, an ulcer can today be permanently cured and the patient restored to comfortable, enjoyable living.

An ulcer usually results from excessive flow of the stomach's acid-containing digestive juices. It is now recognized that nervous tension, worry, and emotional strain, even more than food and drink, stimulate the flow of these juices. Therefore, effective treatment of an ulcer often calls for teamwork by physician, psychiatrist, and surgeon.

The physician, by determining that the ulcer is of the duodenal type, can reassure those who fear cancer, for the duodenal ulcer is rarely, if ever, cancerous. The psychiatrist, by

learning the source of mental stress, may remove the basic cause of the ailment. And the surgeon, if need be, can now safely clear up even the most critical and far-advanced ulcer cases through application of remarkable new techniques.

Many ulcers have their onset in the 20s or early 30s, becoming acute some years later. That is why the welcome relief now available represents another outstanding advance in geriatrics, the science of helping older people enjoy life longer. Heart trouble, kidney diseases, diabetes, anemia and many others are being mastered through application of "miracle drugs" and new surgical techniques. As a result, the 40-year

old man or woman today can, on the average, count on at least 30 more years of pleasure and accomplishment.

Full enjoyment of these years calls for financial solvency, best attained through a sound program of savings and life insurance. Your NWNL agent, paid not primarily for how much insurance he sells you but for what you keep in force, has a strong interest in providing you with just the kind and amount of life insurance you need and can afford. He can help you plan wisely for a financially comfortable future through life insurance.

FREE PAMPHLET: "Are you the 'ulcer type'?" brings you up to date on the mental, medical and surgical aspects of this common ailment. Sent free.

NORTHWESTERN *National* LIFE

INSURANCE COMPANY

R. G. Stagg, President

O. J. Arnold, Chairman

Minneapolis 4, Minn.



HIGHLIGHTS

From our 104th Annual Report to Policyholders

FACTS AT A GLANCE

(All figures as of Dec. 31, 1947)

TOTAL INSURANCE IN FORCE.....\$2,439,000,000

Increase of \$220 millions over 1946

Double the amount in force at the end of 1929

NEW LIFE INSURANCE ISSUED..... 301,000,000

18% more than last year

Double the amount issued in 1929

AVERAGE AMOUNT OF NEW POLICIES ISSUED..... 5,900

Increase of \$500 over last year

PAYMENTS.....\$46,000,000

to policyholders, beneficiaries & annuitants

NET GAIN FROM INSURANCE OPERATIONS.... 18,000,000

after strengthening various insurance reserves

DIVIDENDS APPORTIONED FOR 1948..... 13,000,000

compared with \$12 millions for 1947

ASSETS.....\$921,000,000

Increase of \$73 millions over last year

LIABILITIES.....\$860,000,000

Includes policy reserves, funds on deposit,
and dividends set aside for 1948

TOTAL SURPLUS FUNDS.....61,000,000

Includes \$15 millions reserve for investment fluctuation

FOR the fourth consecutive year, New England Mutual's field force broke all previous company records in new business production.

☆ ☆

"An encouraging development of real significance appeared on the financial horizon during the year. As is well known, the rate of earnings on insurance company investments has been declining since 1930, a condition which has been emphasized by the government's fiscal policy.

"In 1947, however, the need for capital and long-term loans by business, real estate and local governments far exceeded the available supply. As a result, interest rates became higher in the latter part of the year.

"The average return on securities purchased in 1947 improved .44% over the previous year. This will amount, on an annual basis, to increased earnings of \$670,000 on the \$151 millions of securities bought during 1947.

☆ ☆

"Although the American people in the past two years have purchased new insurance at double the 1940 rate, the fact remains that the average family needs still more insurance to receive pre-war protection at today's living costs . . . and life insurance still offers the only feasible way for the average man to provide this protection for his family."

COPY OF COMPLETE ANNUAL REPORT AVAILABLE ON REQUEST

New England Mutual
Life Insurance Company  *of Boston*

George Willard Smith, President

Agencies in Principal Cities Coast to Coast

The First Mutual Life Insurance Company Chartered in America—1835